



QUARTERLY STATEMENT  
AS OF MARCH 31, 2018  
OF THE CONDITION AND AFFAIRS OF THE  
Meridian Health Plan of Michigan, Inc.

|                                       |   |                        |  |            |  |            |
|---------------------------------------|---|------------------------|--|------------|--|------------|
| NAIC Group Code                       | 4640<br>(Current Period)  | 4640<br>(Prior Period) | NAIC Company Code  | 52563      | Employer's ID Number   | 38-3253977 |
| Organized under the Laws of           | Michigan  |                        | State of Domicile or Port of Entry   | MI         |  |            |
| Country of Domicile                   | United States of America  |                        |  |            |  |            |
| Licensed as business type:            | Life, Accident & Health[ ]<br>Dental Service Corporation[ ]<br>Other[ ] |                        | Property/Casualty[ ]<br>Vision Service Corporation[ ]<br>Is HMO Federally Qualified? Yes[X] No[ ] N/A[ ] |            | Hospital, Medical & Dental Service or Indemnity[ ]<br>Health Maintenance Organization[X] |            |
| Incorporated/Organized                | 12/31/1995  |                        | Commenced Business   | 12/31/1995 |  |            |
| Statutory Home Office                 | 1 Campus Martius, Suite 700<br>(Street and Number)                      |                        | Detroit, MI, US 48226<br>(City or Town, State, Country and Zip Code)                                     |            |  |            |
| Main Administrative Office            |   |                        | 1 Campus Martius, Suite 700<br>(Street and Number)   |            |  |            |
|                                       | Detroit, MI, US 48226<br>(City or Town, State, Country and Zip Code)    |                        | (313)324-3700<br>(Area Code) (Telephone Number)  |            |  |            |
| Mail Address                          | 1 Campus Martius, Suite 700<br>(Street and Number or P.O. Box)          |                        | Detroit, MI, US 48226<br>(City or Town, State, Country and Zip Code)                                     |            |  |            |
| Primary Location of Books and Records |   |                        | 1 Campus Martius, Suite 700<br>(Street and Number)   |            |  |            |
|                                       | Detroit, MI, US 48226<br>(City or Town, State, Country and Zip Code)    |                        | (313)324-3700<br>(Area Code) (Telephone Number)  |            |  |            |
| Internet Web Site Address             | www.mhplan.com  |                        |  |            |  |            |
| Statutory Statement Contact           | Matthew Agnone<br>(Name)  |                        | (313)324-3700<br>(Area Code)(Telephone Number)(Extension)  |            |  |            |
|                                       | matthew.agnone@mhplan.com<br>(E-Mail Address)                           |                        | (313)324-1822<br>(Fax Number)  |            |  |            |

OFFICERS

| Name            | Title     |
|-----------------|-----------|
| Jon B. Cotton   | President |
| Sean P. Cotton  | Secretary |
| Janice Torosian | Treasurer |

OTHERS

DIRECTORS OR TRUSTEES

George Ellis  
David B. Cotton M.D.

Karie Pasternak

State of Michigan  
County of Wayne ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

|                |                |                 |
|----------------|----------------|-----------------|
| (Signature)    | (Signature)    | (Signature)     |
| Jon B. Cotton  | Sean P. Cotton | Janice Torosian |
| (Printed Name) | (Printed Name) | (Printed Name)  |
| 1.             | 2.             | 3.              |
| President      | Secretary      | Treasurer       |
| (Title)        | (Title)        | (Title)         |

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018

a. Is this an original filing?  
b. If no, 1. State the amendment number  
2. Date filed  
3. Number of pages attached

Yes[X] No[ ]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Notary Public Signature)

ASSETS

|                      |  | Current Statement Date |                    |                                   | 4  |
|----------------------|--|------------------------|--------------------|-----------------------------------|--|
|                      |  | 1                      | 2                  | 3                                 |  |
|                      |  | Assets                 | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | December 31 Prior Year Net Admitted Assets |
| 1.                   | Bonds .....  | 104,615,152            |                    | 104,615,152                       | 108,660,184                                |
| 2.                   | Stocks:  |                        |                    |                                   |  |
| 2.1                  | Preferred stocks .....   |                        |                    |                                   |  |
| 2.2                  | Common stocks .....  | 17,234,119             |                    | 17,234,119                        | 17,221,836                                 |
| 3.                   | Mortgage loans on real estate:   |                        |                    |                                   |  |
| 3.1                  | First liens .....  |                        |                    |                                   |  |
| 3.2                  | Other than first liens .....   |                        |                    |                                   |  |
| 4.                   | Real estate:   |                        |                    |                                   |  |
| 4.1                  | Properties occupied by the company (less \$.....0 encumbrances) .....  |                        |                    |                                   |  |
| 4.2                  | Properties held for the production of income (less \$.....0 encumbrances) .....  |                        |                    |                                   |  |
| 4.3                  | Properties held for sale (less \$.....0 encumbrances) .....  |                        |                    |                                   |  |
| 5.                   | Cash (\$.....168,123,682), cash equivalents (\$.....6,734,648) and short-term investments (\$.....71,405,249) .....                              | 246,263,579            |                    | 246,263,579                       | 226,877,232                                |
| 6.                   | Contract loans (including \$.....0 premium notes) .....  |                        |                    |                                   |  |
| 7.                   | Derivatives .....  |                        |                    |                                   |  |
| 8.                   | Other invested assets .....  | 1,306,535              | 1,203,612          | 102,923                           | 102,923                                    |
| 9.                   | Receivables for securities .....   |                        |                    |                                   |  |
| 10.                  | Securities lending reinvested collateral assets .....  |                        |                    |                                   |  |
| 11.                  | Aggregate write-ins for invested assets .....  |                        |                    |                                   |  |
| 12.                  | Subtotals, cash and invested assets (Lines 1 to 11) .....  | 369,419,385            | 1,203,612          | 368,215,773                       | 352,862,175                                |
| 13.                  | Title plants less \$.....0 charged off (for Title insurers only) .....   |                        |                    |                                   |  |
| 14.                  | Investment income due and accrued .....  | 1,888,008              | 70,210             | 1,817,798                         | 1,710,176                                  |
| 15.                  | Premiums and considerations:   |                        |                    |                                   |  |
| 15.1                 | Uncollected premiums and agents' balances in the course of collection .....  | 44,234,674             |                    | 44,234,674                        | 38,521,612                                 |
| 15.2                 | Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) ..... |                        |                    |                                   |  |
| 15.3                 | Accrued retrospective premiums (\$.....11,358,456) and contracts subject to redetermination (\$.....0) .....                                     | 11,358,456             |                    | 11,358,456                        | 7,685,737                                  |
| 16.                  | Reinsurance:   |                        |                    |                                   |  |
| 16.1                 | Amounts recoverable from reinsurers .....  | 3,468,891              |                    | 3,468,891                         | 3,264,841                                  |
| 16.2                 | Funds held by or deposited with reinsured companies .....  |                        |                    |                                   |  |
| 16.3                 | Other amounts receivable under reinsurance contracts .....   |                        |                    |                                   |  |
| 17.                  | Amounts receivable relating to uninsured plans .....   | 2,199,683              |                    | 2,199,683                         | 7,948,523                                  |
| 18.1                 | Current federal and foreign income tax recoverable and interest thereon .....  |                        |                    |                                   |  |
| 18.2                 | Net deferred tax asset .....   | 1,026,286              |                    | 1,026,286                         | 1,026,286                                  |
| 19.                  | Guaranty funds receivable or on deposit .....  |                        |                    |                                   |  |
| 20.                  | Electronic data processing equipment and software .....  |                        |                    |                                   |  |
| 21.                  | Furniture and equipment, including health care delivery assets (\$.....0) .....  |                        |                    |                                   |  |
| 22.                  | Net adjustments in assets and liabilities due to foreign exchange rates .....  |                        |                    |                                   |  |
| 23.                  | Receivables from parent, subsidiaries and affiliates .....   |                        |                    |                                   |  |
| 24.                  | Health care (\$.....45,501,302) and other amounts receivable .....   | 99,124,170             | 1,539,819          | 97,584,351                        | 38,761,168                                 |
| 25.                  | Aggregate write-ins for other-than-invested assets .....   | 3,027                  | 3,027              |                                   |  |
| 26.                  | TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....                                 | 532,722,580            | 2,816,668          | 529,905,912                       | 451,780,518                                |
| 27.                  | From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....  |                        |                    |                                   |  |
| 28.                  | TOTAL (Lines 26 and 27) .....  | 532,722,580            | 2,816,668          | 529,905,912                       | 451,780,518                                |
| DETAILS OF WRITE-INS |  |                        |                    |                                   |  |
| 1101.                | .....  |                        |                    |                                   |  |
| 1102.                | .....  |                        |                    |                                   |  |
| 1103.                | .....  |                        |                    |                                   |  |
| 1198.                | Summary of remaining write-ins for Line 11 from overflow page .....  |                        |                    |                                   |  |
| 1199.                | TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....   |                        |                    |                                   |  |
| 2501.                | Deposits .....   | 3,027                  | 3,027              |                                   |  |
| 2502.                | .....  |                        |                    |                                   |  |
| 2503.                | .....  |                        |                    |                                   |  |
| 2598.                | Summary of remaining write-ins for Line 25 from overflow page .....  |                        |                    |                                   |  |
| 2599.                | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....   | 3,027                  | 3,027              |                                   |  |

**LIABILITIES, CAPITAL AND SURPLUS**

|                      |  | Current Period |                |             | Prior Year  |
|----------------------|--|----------------|----------------|-------------|-------------|
|                      |  | 1<br>Covered   | 2<br>Uncovered | 3<br>Total  | 4<br>Total  |
| 1.                   | Claims unpaid (less \$.00 reinsurance ceded)   | 243,256,160    |                | 243,256,160 | 229,844,348 |
| 2.                   | Accrued medical incentive pool and bonus amounts   | 6,599,406      |                | 6,599,406   | 3,596,656   |
| 3.                   | Unpaid claims adjustment expenses  |                |                |             |             |
| 4.                   | Aggregate health policy reserves, including the liability of \$.00 for medical loss ratio rebate per the Public Health Service Act     | 8,400,000      |                | 8,400,000   | 8,400,000   |
| 5.                   | Aggregate life policy reserves   |                |                |             |             |
| 6.                   | Property/casualty unearned premium reserve   |                |                |             |             |
| 7.                   | Aggregate health claim reserves  |                |                |             |             |
| 8.                   | Premiums received in advance   | 16,477,225     |                | 16,477,225  | 551,197     |
| 9.                   | General expenses due or accrued  | 54,833,159     |                | 54,833,159  | 5,501,849   |
| 10.1                 | Current federal and foreign income tax payable and interest thereon (including \$.00 on realized gains (losses))                       | 12,226,394     |                | 12,226,394  | 1,599,637   |
| 10.2                 | Net deferred tax liability   |                |                |             |             |
| 11.                  | Ceded reinsurance premiums payable   |                |                |             |             |
| 12.                  | Amounts withheld or retained for the account of others   |                |                |             |             |
| 13.                  | Remittances and items not allocated  |                |                |             |             |
| 14.                  | Borrowed money (including \$.00 current) and interest thereon \$.00 (including \$.00 current)  |                |                |             |             |
| 15.                  | Amounts due to parent, subsidiaries and affiliates   | 4,735,960      |                | 4,735,960   | 15,473,668  |
| 16.                  | Derivatives  |                |                |             |             |
| 17.                  | Payable for securities   |                |                |             |             |
| 18.                  | Payable for securities lending   |                |                |             |             |
| 19.                  | Funds held under reinsurance treaties with (\$.00 authorized reinsurers, \$.00 unauthorized reinsurers and \$.00 certified reinsurers) |                |                |             |             |
| 20.                  | Reinsurance in unauthorized and certified (\$.00) companies  |                |                |             |             |
| 21.                  | Net adjustments in assets and liabilities due to foreign exchange rates  |                |                |             |             |
| 22.                  | Liability for amounts held under uninsured plans   | 67,574         |                | 67,574      | 39,007      |
| 23.                  | Aggregate write-ins for other liabilities (including \$.00 current)  |                |                |             |             |
| 24.                  | Total liabilities (Lines 1 to 23)  | 346,595,878    |                | 346,595,878 | 265,006,362 |
| 25.                  | Aggregate write-ins for special surplus funds  | X X X          | X X X          |             | 42,502,056  |
| 26.                  | Common capital stock   | X X X          | X X X          | 44,700      | 44,700      |
| 27.                  | Preferred capital stock  | X X X          | X X X          |             |             |
| 28.                  | Gross paid in and contributed surplus  | X X X          | X X X          | 83,451,363  | 83,451,363  |
| 29.                  | Surplus notes  | X X X          | X X X          |             |             |
| 30.                  | Aggregate write-ins for other-than-special surplus funds   | X X X          | X X X          |             |             |
| 31.                  | Unassigned funds (surplus)   | X X X          | X X X          | 99,813,971  | 60,776,037  |
| 32.                  | Less treasury stock, at cost:  |                |                |             |             |
| 32.1                 | .00 shares common (value included in Line 26 \$.00)  | X X X          | X X X          |             |             |
| 32.2                 | .00 shares preferred (value included in Line 27 \$.00)   | X X X          | X X X          |             |             |
| 33.                  | Total capital and surplus (Lines 25 to 31 minus Line 32)   | X X X          | X X X          | 183,310,034 | 186,774,156 |
| 34.                  | Total Liabilities, capital and surplus (Lines 24 and 33)   | X X X          | X X X          | 529,905,912 | 451,780,518 |
| DETAILS OF WRITE-INS |  |                |                |             |             |
| 2301.                |  |                |                |             |             |
| 2302.                |  |                |                |             |             |
| 2303.                |  |                |                |             |             |
| 2398.                | Summary of remaining write-ins for Line 23 from overflow page  |                |                |             |             |
| 2399.                | TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)   |                |                |             |             |
| 2501.                | Estimate of 2018 ACA Health Insurer Fee Surplus  | X X X          | X X X          |             | 42,502,056  |
| 2502.                |  | X X X          | X X X          |             |             |
| 2503.                |  | X X X          | X X X          |             |             |
| 2598.                | Summary of remaining write-ins for Line 25 from overflow page  | X X X          | X X X          |             |             |
| 2599.                | TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)   | X X X          | X X X          |             | 42,502,056  |
| 3001.                |  | X X X          | X X X          |             |             |
| 3002.                |  | X X X          | X X X          |             |             |
| 3003.                |  | X X X          | X X X          |             |             |
| 3098.                | Summary of remaining write-ins for Line 30 from overflow page  | X X X          | X X X          |             |             |
| 3099.                | TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)   | X X X          | X X X          |             |             |

STATEMENT OF REVENUE AND EXPENSES

|                              |   | Current Year To Date |             | Prior Year To Date | Prior Year Ended December 31 |
|------------------------------|---|----------------------|-------------|--------------------|------------------------------|
|                              |   | 1<br>Uncovered       | 2<br>Total  | 3<br>Total         | 4<br>Total                   |
| 1.                           | Member Months .....   | X X X .....          | 1,552,581   | 1,538,724          | 6,238,166                    |
| 2.                           | Net premium income (including \$.....0 non-health premium income) .....   | X X X .....          | 490,641,334 | 578,308,790        | 2,201,824,040                |
| 3.                           | Change in unearned premium reserves and reserves for rate credits .....   | X X X .....          |             |                    |                              |
| 4.                           | Fee-for-service (net of \$.....0 medical expenses) .....  | X X X .....          |             |                    |                              |
| 5.                           | Risk revenue .....  | X X X .....          |             |                    |                              |
| 6.                           | Aggregate write-ins for other health care related revenues .....  | X X X .....          | 52,083,049  |                    | 19,224                       |
| 7.                           | Aggregate write-ins for other non-health revenues .....   | X X X .....          |             |                    |                              |
| 8.                           | Total revenues (Lines 2 to 7) .....   | X X X .....          | 542,724,383 | 578,308,790        | 2,201,843,264                |
| <b>Hospital and Medical:</b> |   |                      |             |                    |                              |
| 9.                           | Hospital/medical benefits .....   |                      | 298,359,191 | 412,268,513        | 1,494,736,279                |
| 10.                          | Other professional services .....   |                      | 18,496,203  | 19,406,091         | 69,547,225                   |
| 11.                          | Outside referrals .....   |                      | 20,936,339  | 13,923,652         | 60,906,981                   |
| 12.                          | Emergency room and out-of-area .....  |                      | 9,388,179   | 8,618,419          | 31,811,926                   |
| 13.                          | Prescription drugs .....  |                      | 86,254,255  | 77,389,224         | 311,678,508                  |
| 14.                          | Aggregate write-ins for other hospital and medical .....  |                      | 46,803      | 41,439             | 380,948                      |
| 15.                          | Incentive pool, withhold adjustments and bonus amounts .....  |                      | 3,792,357   | 3,201,697          | 15,774,674                   |
| 16.                          | Subtotal (Lines 9 to 15) .....  |                      | 437,273,327 | 534,849,035        | 1,984,836,541                |
| <b>Less:</b>                 |   |                      |             |                    |                              |
| 17.                          | Net reinsurance recoveries .....  |                      | 204,050     | (127,271)          | 2,523,990                    |
| 18.                          | Total hospital and medical (Lines 16 minus 17) .....  |                      | 437,069,277 | 534,976,306        | 1,982,312,551                |
| 19.                          | Non-health claims (net) .....   |                      |             |                    |                              |
| 20.                          | Claims adjustment expenses, including \$.....10,271,345 cost containment expenses .....   |                      | 12,559,931  | 7,111,920          | 36,154,036                   |
| 21.                          | General administrative expenses .....   |                      | 86,581,126  | 46,338,795         | 184,332,954                  |
| 22.                          | Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....     |                      |             |                    |                              |
| 23.                          | Total underwriting deductions (Lines 18 through 22) .....   |                      | 536,210,334 | 588,427,021        | 2,202,799,541                |
| 24.                          | Net underwriting gain or (loss) (Lines 8 minus 23) .....  | X X X .....          | 6,514,049   | (10,118,231)       | (956,277)                    |
| 25.                          | Net investment income earned .....  |                      | 914,743     | 596,118            | 2,688,479                    |
| 26.                          | Net realized capital gains (losses) less capital gains tax of \$.....3,504 .....  |                      | 13,180      | (3,561)            | 196,001                      |
| 27.                          | Net investment gains or (losses) (Lines 25 plus 26) .....   |                      | 927,923     | 592,557            | 2,884,480                    |
| 28.                          | Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] ..... |                      |             |                    |                              |
| 29.                          | Aggregate write-ins for other income or expenses .....  |                      |             |                    |                              |
| 30.                          | Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....   | X X X .....          | 7,441,972   | (9,525,674)        | 1,928,203                    |
| 31.                          | Federal and foreign income taxes incurred .....   | X X X .....          | 10,623,253  | (3,254,816)        | 1,382,129                    |
| 32.                          | Net income (loss) (Lines 30 minus 31) .....   | X X X .....          | (3,181,281) | (6,270,858)        | 546,074                      |
| <b>DETAILS OF WRITE-INS</b>  |   |                      |             |                    |                              |
| 0601.                        | ACA Health Insurer Fee - 2016 Adjustment .....  | X X X .....          |             |                    | 19,224                       |
| 0602.                        | ACA Health Insurer Fee - 2018 .....   | X X X .....          | 52,083,049  |                    |                              |
| 0603.                        | .....   | X X X .....          |             |                    |                              |
| 0698.                        | Summary of remaining write-ins for Line 6 from overflow page .....  | X X X .....          |             |                    |                              |
| 0699.                        | TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....   | X X X .....          | 52,083,049  |                    | 19,224                       |
| 0701.                        | .....   | X X X .....          |             |                    |                              |
| 0702.                        | .....   | X X X .....          |             |                    |                              |
| 0703.                        | .....   | X X X .....          |             |                    |                              |
| 0798.                        | Summary of remaining write-ins for Line 7 from overflow page .....  | X X X .....          |             |                    |                              |
| 0799.                        | TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....   | X X X .....          |             |                    |                              |
| 1401.                        | Hearing/Speech devices .....  |                      | 46,803      | 41,439             | 380,948                      |
| 1402.                        | .....   |                      |             |                    |                              |
| 1403.                        | .....   |                      |             |                    |                              |
| 1498.                        | Summary of remaining write-ins for Line 14 from overflow page .....   |                      |             |                    |                              |
| 1499.                        | TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....  |                      | 46,803      | 41,439             | 380,948                      |
| 2901.                        | Miscellaneous revenue .....   |                      |             |                    |                              |
| 2902.                        | .....   |                      |             |                    |                              |
| 2903.                        | .....   |                      |             |                    |                              |
| 2998.                        | Summary of remaining write-ins for Line 29 from overflow page .....   |                      |             |                    |                              |
| 2999.                        | TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....  |                      |             |                    |                              |

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

|                           |  | 1                       | 2                     | 3                                  |
|---------------------------|--|-------------------------|-----------------------|------------------------------------|
|                           |  | Current Year<br>To Date | Prior Year<br>To Date | Prior Year<br>Ended<br>December 31 |
| CAPITAL & SURPLUS ACCOUNT |  |                         |                       |                                    |
| 33.                       | Capital and surplus prior reporting year .....   | 186,774,156             | 185,340,432           | 185,340,432                        |
| 34.                       | Net income or (loss) from Line 32 .....  | (3,181,281)             | (6,270,858)           | 546,074                            |
| 35.                       | Change in valuation basis of aggregate policy and claim reserves .....                   |                         |                       |                                    |
| 36.                       | Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 ..... | 29,865                  | 640,298               | 1,417,113                          |
| 37.                       | Change in net unrealized foreign exchange capital gain or (loss) .....                   |                         |                       |                                    |
| 38.                       | Change in net deferred income tax .....  |                         |                       | 309,835                            |
| 39.                       | Change in nonadmitted assets .....   | (312,706)               | 288,910               | (839,298)                          |
| 40.                       | Change in unauthorized and certified reinsurance .....                                   |                         |                       |                                    |
| 41.                       | Change in treasury stock .....   |                         |                       |                                    |
| 42.                       | Change in surplus notes .....  |                         |                       |                                    |
| 43.                       | Cumulative effect of changes in accounting principles .....                              |                         |                       |                                    |
| 44.                       | Capital Changes:   |                         |                       |                                    |
| 44.1                      | Paid in .....  |                         |                       |                                    |
| 44.2                      | Transferred from surplus (Stock Dividend) .....  |                         |                       |                                    |
| 44.3                      | Transferred to surplus .....   |                         |                       |                                    |
| 45.                       | Surplus adjustments:   |                         |                       |                                    |
| 45.1                      | Paid in .....  |                         |                       |                                    |
| 45.2                      | Transferred to capital (Stock Dividend) .....  |                         |                       |                                    |
| 45.3                      | Transferred from capital .....   |                         |                       |                                    |
| 46.                       | Dividends to stockholders .....  |                         |                       |                                    |
| 47.                       | Aggregate write-ins for gains or (losses) in surplus .....                               |                         |                       |                                    |
| 48.                       | Net change in capital and surplus (Lines 34 to 47) .....                                 | (3,464,122)             | (5,341,650)           | 1,433,724                          |
| 49.                       | Capital and surplus end of reporting period (Line 33 plus 48) .....                      | 183,310,034             | 179,998,782           | 186,774,156                        |
| DETAILS OF WRITE-INS      |  |                         |                       |                                    |
| 4701.                     | .....  | .....                   | .....                 | .....                              |
| 4702.                     | .....  | .....                   | .....                 | .....                              |
| 4703.                     | .....  | .....                   | .....                 | .....                              |
| 4798.                     | Summary of remaining write-ins for Line 47 from overflow page .....                      | .....                   | .....                 | .....                              |
| 4799.                     | TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....                         | .....                   | .....                 | .....                              |

CASH FLOW

|   |   | 1            | 2            | 3             |
|---|---|--------------|--------------|---------------|
|   |   | Current      | Prior        | Prior         |
|   |   | Year         | Year         | Year Ended    |
|   |   | To Date      | To Date      | December 31   |
| Cash from Operations  |   |              |              |               |
| 1.  | Premiums collected net of reinsurance .....   | 496,303,442  | 600,755,803  | 2,230,496,405 |
| 2.  | Net investment income .....   | 1,226,755    | 811,199      | 4,269,107     |
| 3.  | Miscellaneous income .....  |              | 12,898       | 14,810,177    |
| 4.  | TOTAL (Lines 1 to 3) .....  | 497,530,197  | 601,579,900  | 2,249,575,689 |
| 5.  | Benefit and loss related payments .....   | 427,012,403  | 569,296,639  | 2,085,240,665 |
| 6.  | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                       |              |              |               |
| 7.  | Commissions, expenses paid and aggregate write-ins for deductions .....   | 44,032,340   | 54,534,426   | 223,244,930   |
| 8.  | Dividends paid to policyholders .....   |              |              |               |
| 9.  | Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....           |              | 5,519,514    | 5,177,485     |
| 10.   | TOTAL (Lines 5 through 9) .....   | 471,044,743  | 629,350,579  | 2,313,663,080 |
| 11.   | Net cash from operations (Line 4 minus Line 10) .....   | 26,485,454   | (27,770,679) | (64,087,391)  |
| Cash from Investments   |   |              |              |               |
| 12.   | Proceeds from investments sold, matured or repaid:  |              |              |               |
| 12.1  | Bonds .....   | 5,204,286    | 4,382,016    | 25,287,896    |
| 12.2  | Stocks .....  | 911,786      |              | 314,342       |
| 12.3  | Mortgage loans .....  |              |              |               |
| 12.4  | Real estate .....   |              |              |               |
| 12.5  | Other invested assets .....   |              | 8,053        | 85,027        |
| 12.6  | Net gains or (losses) on cash, cash equivalents and short-term investments .....                                |              |              |               |
| 12.7  | Miscellaneous proceeds .....  | 27,605       | 2,475        |               |
| 12.8  | TOTAL investment proceeds (Lines 12.1 to 12.7) .....  | 6,143,676    | 4,392,544    | 25,687,265    |
| 13.   | Cost of investments acquired (long-term only):  |              |              |               |
| 13.1  | Bonds .....   | 1,623,345    | 679,840      | 35,790,258    |
| 13.2  | Stocks .....  | 881,730      | 4,542        | 3,984,105     |
| 13.3  | Mortgage loans .....  |              |              |               |
| 13.4  | Real estate .....   |              |              |               |
| 13.5  | Other invested assets .....   |              |              |               |
| 13.6  | Miscellaneous applications .....  |              |              | 338,164       |
| 13.7  | TOTAL investments acquired (Lines 13.1 to 13.6) .....   | 2,505,075    | 684,382      | 40,112,527    |
| 14.   | Net increase (or decrease) in contract loans and premium notes .....  |              |              |               |
| 15.   | Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....   | 3,638,601    | 3,708,162    | (14,425,262)  |
| Cash from Financing and Miscellaneous Sources                       |   |              |              |               |
| 16.   | Cash provided (applied):  |              |              |               |
| 16.1  | Surplus notes, capital notes .....  |              |              |               |
| 16.2  | Capital and paid in surplus, less treasury stock .....  |              |              |               |
| 16.3  | Borrowed funds .....  |              |              |               |
| 16.4  | Net deposits on deposit-type contracts and other insurance liabilities .....                                    |              |              |               |
| 16.5  | Dividends to stockholders .....   |              |              |               |
| 16.6  | Other cash provided (applied) .....   | (10,737,708) | (15,262,837) | (3,443,986)   |
| 17.   | Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) ..... | (10,737,708) | (15,262,837) | (3,443,986)   |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS |   |              |              |               |
| 18.   | Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....           | 19,386,347   | (39,325,354) | (81,956,638)  |
| 19.   | Cash, cash equivalents and short-term investments:  |              |              |               |
| 19.1  | Beginning of year .....   | 226,877,232  | 308,833,871  | 308,833,871   |
| 19.2  | End of period (Line 18 plus Line 19.1) .....  | 246,263,579  | 269,508,517  | 226,877,232   |

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

|         |  |  |  |  |
|---------|--|--|--|--|
| 20.0001 |  |  |  |  |
|---------|--|--|--|--|

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

|  | 1<br><br>Total | Comprehensive (Hospital & Medical) |                | 4<br><br>Medicare<br>Supplement | 5<br><br>Vision<br>Only | 6<br><br>Dental<br>Only | 7<br><br>Federal<br>Employees Health<br>Benefit Plan | 8<br><br>Title XVIII<br>Medicare | 9<br><br>Title XIX<br>Medicaid | 10<br><br>Other |
|--|----------------|------------------------------------|----------------|---------------------------------|-------------------------|-------------------------|--|----------------------------------|--------------------------------|-----------------|
|  |                | 2<br><br>Individual                | 3<br><br>Group |                                 |                         |                         |  |                                  |                                |                 |
| Total Members at end of:   |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 1. Prior Year .....  | 517,338        | 5,261                              |                |                                 |                         |                         |  | 12,675                           | 499,402                        |                 |
| 2. First Quarter .....   | 508,651        | 6,047                              |                |                                 |                         |                         |  | 16,663                           | 485,941                        |                 |
| 3. Second Quarter .....  |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 4. Third Quarter .....   |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 5. Current Year .....  |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 6. Current Year Member Months .....                                | 1,552,581      | 18,814                             |                |                                 |                         |                         |  | 48,671                           | 1,485,096                      |                 |
| Total Member Ambulatory Encounters for Period:                     |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 7. Physician .....   | 1,321,165      | 4,022                              |                |                                 |                         |                         |  | 72,056                           | 1,245,087                      |                 |
| 8. Non-Physician .....   | 1,392,108      | 1,867                              |                |                                 |                         |                         |  | 109,621                          | 1,280,620                      |                 |
| 9. Total .....   | 2,713,273      | 5,889                              |                |                                 |                         |                         |  | 181,677                          | 2,525,707                      |                 |
| 10. Hospital Patient Days Incurred .....                           | 39,017         | 83                                 |                |                                 |                         |                         |  | 4,816                            | 34,118                         |                 |
| 11. Number of Inpatient Admissions .....                           | 10,520         | 27                                 |                |                                 |                         |                         |  | 849                              | 9,644                          |                 |
| 12. Health Premiums Written (a) .....                              | 491,315,484    | 7,358,548                          |                |                                 |                         |                         |  | 59,378,849                       | 424,578,087                    |                 |
| 13. Life Premiums Direct .....                                     |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 14. Property/Casualty Premiums Written .....                       |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 15. Health Premiums Earned .....                                   | 490,641,334    | 7,295,364                          |                |                                 |                         |                         |  | 59,359,347                       | 423,986,623                    |                 |
| 16. Property/Casualty Premiums Earned .....                        |                |                                    |                |                                 |                         |                         |  |                                  |                                |                 |
| 17. Amount Paid for Provision of Health Care Services .....        | 427,012,403    | 2,709,617                          |                |                                 |                         |                         |  | 47,075,495                       | 377,218,791                    | 8,500           |
| 18. Amount Incurred for Provision of Health Care<br>Services ..... | 437,273,327    | 6,310,713                          |                |                                 |                         |                         |  | 44,363,724                       | 386,590,390                    | 8,500           |

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.59,378,849.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

| Aging Analysis of Unpaid Claims                                      |                  |                   |                   |                    |                    |             |
|--|------------------|-------------------|-------------------|--------------------|--------------------|-------------|
| 1<br>Account   | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>91 - 120 days | 6<br>Over 120 Days | 7<br>Total  |
| Claims unpaid (Reported)   |                  |                   |                   |                    |                    |             |
| .....  |                  |                   |                   |                    |                    |             |
| 0199999 Individually Listed Claims Unpaid .....                      |                  |                   |                   |                    |                    |             |
| 0299999 Aggregate Accounts Not Individually Listed - Uncovered ..... |                  |                   |                   |                    |                    |             |
| 0399999 Aggregate Accounts Not Individually Listed - Covered .....   | 70,375,018       | 661,462           | 661,462           | 165,145            | 3,048,173          | 74,911,260  |
| 0499999 Subtotals .....  | 70,375,018       | 661,462           | 661,462           | 165,145            | 3,048,173          | 74,911,260  |
| 0599999 Unreported claims and other claim reserves .....             |                  |                   |                   |                    |                    | 168,344,900 |
| 0699999 Total Amounts Withheld .....                                 |                  |                   |                   |                    |                    |             |
| 0799999 Total Claims Unpaid .....                                    |                  |                   |                   |                    |                    | 243,256,160 |
| 0899999 Accrued Medical Incentive Pool And Bonus Amounts .....       |                  |                   |                   |                    |                    | 6,599,406   |



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

| Line<br>of<br>Business |   | Claims<br>Paid Year to Date                                    |   | Liability<br>End of<br>Current Quarter         |   | 5  | 6   |
|------------------------|---|--|---|--|---|--|---|
|                        |   | 1  | 2   | 3  | 4   |  |   |
|                        |   | On<br>Claims Incurred<br>Prior to January 1<br>of Current Year | On<br>Claims Incurred<br>During the<br>Year | On<br>Claims Unpaid<br>Dec 31 of<br>Prior Year | On<br>Claims Incurred<br>During the<br>Year | Claims Incurred<br>in Prior Years<br>(Columns 1+3) | Estimated Claim<br>Reserve and<br>Claim<br>Liability<br>Dec 31 of<br>Prior Year |
| 1.                     | Comprehensive (hospital & medical) .....        | 1,469,982  | 1,292,906                                   | 1,169,397                                      | 5,121,141                                   | 2,639,379  | 2,639,379   |
| 2.                     | Medicare Supplement .....                       |  |   |  |   |  |   |
| 3.                     | Dental only .....                               |  |   |  |   |  |   |
| 4.                     | Vision only .....                               |  |   |  |   |  |   |
| 5.                     | Federal Employees Health Benefits Plan .....    |  |   |  |   |  |   |
| 6.                     | Title XVIII - Medicare .....                    | 18,196,449   | 29,391,203                                  | 7,075,301                                      | 24,066,084                                  | 25,271,750   | 25,271,750  |
| 7.                     | Title XIX - Medicaid .....                      | 137,027,809  | 243,151,827                                 | 64,902,657                                     | 140,918,827                                 | 201,930,466  | 201,930,466   |
| 8.                     | Other health .....                              | 8,500  |   | 2,753  |   | 11,253   | 2,753   |
| 9.                     | Health subtotal (Lines 1 to 8) .....            | 156,702,740  | 273,835,936                                 | 73,150,108                                     | 170,106,052                                 | 229,852,848  | 229,844,348   |
| 10.                    | Healthcare receivables (a) .....                |  | 4,192,279                                   | 11,424,844                                     | 6,481,289                                   | 11,424,844   | 11,424,844  |
| 11.                    | Other non-health .....                          |  |   |  |   |  |   |
| 12.                    | Medical incentive pools and bonus amounts ..... | 213,426  | 576,181                                     | 3,389,708                                      | 3,209,698                                   | 3,603,134  | 3,596,656   |
| 13.                    | Totals (Lines 9 - 10 + 11 + 12) .....           | 156,916,166  | 270,219,838                                 | 65,114,972                                     | 166,834,461                                 | 222,031,138  | 222,016,160   |

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

Note 1 –Summary of Significant Accounting Policies

Meridian Health Plan of Michigan, Inc. (the “Company”) operates as a state-licensed health maintenance organization (HMO). The Company provides medical services to persons in sixty-eight Michigan counties who subscribe as recipients of state health benefits (Medicaid benefits). In addition, the Company operates a Medicare Advantage Dual-Eligible Special Needs Plan, a Medicare Advantage Prescription Drug Plan, and a Medicare – Medicaid Alignment Initiative Plan and offers metal and catastrophic plans on the Federal Health Insurance Marketplace.

The Company contracts directly with physician/physician groups and hospitals for the provision of medical care, and compensates the providers on either a capitation or fee for service basis. The Company has a risk sharing arrangement with some primary care physicians, and a portion of the capitation payments may be retained for settlement of risk-sharing arrangements.

A. Accounting Practices

The financial statements of Meridian Health Plan of Michigan (the “Company”) are presented on the basis of accounting practices prescribed or permitted by the Michigan Department of Insurance and Financial Services (“DIFS”).

The DIFS recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Michigan Insurance Code. The DIFS has adopted the National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedures Manual as a component of prescribed and permitted practices for the state. The DIFS has the right to permit specific practices that deviate from prescribed practices. The State of Michigan requires transfer payment programs, which consist of the Graduate Medical Education (“GME”), and Specialty Network Access Fee (“SNAF”), to be recorded as premium income, and the resulting payments to providers to be treated as hospital/medical benefits. In NAIC SAP these types of pass-through arrangements are reported as uninsured plans. This state prescribed accounting practice resulted in no differences from NAIC SAP net income or capital and surplus.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the DIFS is shown below:

|            |   | SSAP | F/S  | F/S  | 2018           | 2017           |
|------------|---|------|------|------|----------------|----------------|
|            |   | #    | Page | Line |                |                |
| NET INCOME |   |      |      |      |                |                |
| (1)        | State basis (Page 4, Line 32, Columns 2 & 3)                  | N/A  | N/A  | N/A  | \$ (3,181,281) | \$ 546,074     |
| (2)        | State Prescribed Practices that increase/(decrease) NAIC SAP: |      |      |      |                |                |
| (201)      |   |      |      |      |                |                |
| (299)      | Total   |      |      |      | \$ -           | \$ -           |
| (3)        | State Permitted Practices that increase/(decrease) NAIC SAP:  |      |      |      |                |                |
| (301)      |   |      |      |      |                |                |
| (399)      | Total   |      |      |      | \$ -           | \$ -           |
| (4)        | NAIC SAP (1-2-3=4)  | N/A  | N/A  | N/A  | \$ (3,181,281) | \$ 546,074     |
| SURPLUS    |   |      |      |      |                |                |
| (5)        | State basis (Page 3, Line 33, Columns 3 & 4)                  | N/A  | N/A  | N/A  | \$ 183,310,034 | \$ 186,774,156 |
| (6)        | State Prescribed Practices that increase/(decrease) NAIC SAP: |      |      |      |                |                |
| (601)      |   |      |      |      |                |                |
| (699)      | Total   |      |      |      | \$ -           | \$ -           |
| (7)        | State Permitted Practices that increase/(decrease) NAIC SAP:  |      |      |      |                |                |
| (701)      |   |      |      |      |                |                |
| (799)      | Total   |      |      |      | \$ -           | \$ -           |
| (8)        | NAIC SAP (5-6-7=8)  | N/A  | N/A  | N/A  | \$ 183,310,034 | \$ 186,774,156 |
|            |   |      |      |      |                |                |

## Notes to Financial Statement

### B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, primarily claims unpaid. It also requires disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

### C. Accounting Policy

Health capitation premiums are recognized in the period members are entitled to related health care services. Health care service costs and the related liabilities for claims payable are recorded when medical services are provided to eligible members. Expenses are charged to operations as incurred.

1. Short-term investments are stated at amortized cost.
2. Bonds are stated at amortized cost using the scientific interest method.
3. Common stocks are stated at fair market value.
4. The Company had no preferred stock.
5. The Company had no mortgage loans on real estate.
6. The Company had no loan-backed securities.
7. The Company had no investments in subsidiaries, controlled or affiliated entities.
8. The Company has a minor ownership interests in a joint venture. The Company carries this interest based on the underlying audited GAAP equity of the investee.
9. The Company had no derivatives.
10. The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
11. Claims payable includes an actuarially determined estimate of the ultimate cost of settling claims.
12. The Company has no property and equipment and related capitalization policy.
13. Pharmaceutical rebates receivable are estimated based on actual prescriptions filled.

### D. Going Concern

None

### Note 2 - Accounting Changes and Corrections of Errors

None

### Note 3 - Business Combinations and Goodwill

None

### Note 4 - Discontinued Operations

None

### Note 5 - Investments

- D. Loan – Backed Securities – None
- E. Repurchase Agreements and/or Securities Lending Transactions – None
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing – None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – None
- H. Repurchase Agreements Transactions Accounted for as a Sale – None
- I. Working Capital Finance Investments – None

**Notes to Financial Statement**

M. Working Capital Finance Investments – None

N. Offsetting and Netting of Assets and Liabilities – None

**Note 6 - Joint Ventures, Partnerships, and Limited Liability Companies**

No change

**Note 7 - Investment Income**

No change

**Note 8 - Derivative Instruments**

None

**Note 9 - Income Taxes**

No change

**Note 10 - Information Concerning Parent, Subsidiaries, and Affiliates**

No change

**Note 11 - Debt**

A. Outstanding Debt – None

B. FHLB (Federal Home Loan Bank) Agreements - None

**Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences, and Other Postretirement Benefit Plans**

A.– D. Defined Benefit Plan - None

**Note 13 - Capital and Surplus, Stockholders’ Dividend Restrictions, and Quasi-Reorganizations**

No change

**Note 14 - Contingencies**

None

**Note 15 - Leases**

None

**Note 16 - Information about Financial Instruments with Off-balance-sheet Risk and Financial Instruments with Concentrations of Credit Risk**

None

**Note 17 - Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfer of Receivables reported as Sales – None

B. Transfer and Servicing of Financial Assets – None

C. Wash Sales - None

**Note 18 - Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans**

No change

**Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

None

**Note 20 – Fair Value Measurements**

A. Fair Market Value at Reporting Date

Notes to Financial Statement

1. Fair Value Measurements at Reporting Date

|    | Description for each class of asset or liability | (Level 1)     | (Level 2) | (Level 3) | Total         |
|----|--|---------------|-----------|-----------|---------------|
| a. | Common Stocks                                    | \$ 17,234,119 |           |           | \$ 17,234,119 |
| 99 | Subtotal – Assets at fair value                  | \$ 17,234,119 |           |           | \$ 17,234,119 |
| b. | Liabilities at fair value                        |               |           |           |               |
| 1  | Derivatives                                      |               |           |           |               |
| 2  |  |               |           |           |               |
| 99 | Subtotal – Liabilities at fair value             |               |           |           |               |

2. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – None

3. The Company does not have any securities that have transferred between levels.

4. The Company has not valued any securities at a Level 2 or 3.

5. Derivative assets and liabilities – None

B. Fair Value information under SSAP No. 100 combined with Fair Value information Under Other Accounting Pronouncements – None

C. Aggregate Fair Value of All Financial Instruments

Aggregate fair values of the financials instruments and applicable levels within the fair value hierarchy.

| Type of Financial Instruments | Aggregate Fair Value | Admitted Assets | (Level 1)     | (Level 2)      | (Level 3) | Not Practicable (Carrying Value) |
|-------------------------------|----------------------|-----------------|---------------|----------------|-----------|----------------------------------|
| Bonds                         | \$ 103,464,430       | \$ 104,615,152  | \$ -          | \$ 103,464,430 | \$ -      | \$ -                             |
| Short-term investments        | \$ 71,220,845        | \$ 71,405,249   | \$ -          | \$ 71,220,845  | \$ -      | \$ -                             |
| Cash Equivalent               | \$ 6,734,648         | \$ 6,734,648    | \$ 6,734,648  | \$ -           | \$ -      | \$ -                             |
| Common Stock                  | \$ 17,234,119        | \$ 17,234,119   | \$ 17,234,119 | \$ -           | \$ -      | \$ -                             |

D. Not Practicable to Estimate Fair Value – None

Note 21 - Other Items

None

Note 22 - Events Subsequent

No change

Note 23 - Reinsurance

No change

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

E. Risk – Sharing Provisions of the Affordable Care Act (ACA)

1. Did the reporting entity write accident and health insurance premiums that is subject to the Affordable Care Act risk-sharing provisions (Yes/No)? Yes

The Company had a zero balance for the 2018 risk adjustment program due to a lack of sufficient data to estimate amounts recoverable or payable at this time.

As of December 31, 2017 the Company estimated accrued retrospective premium adjustment of \$ 8,400,000 payable for the 2017 risk adjustment program.

Notes to Financial Statement

2. Impact of Risk – Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

|    |                                       |   | AMOUNT     |
|----|---------------------------------------|---|------------|
| a. | Permanent ACA Risk Adjustment Program |   |            |
|    | Assets                                |   |            |
|    | 1                                     | Premium adjustments receivable due to ACA Risk Adjustment   | \$ -       |
|    | Liabilities                           |   |            |
|    | 2                                     | Risk adjustment user fees payable for ACA Risk Adjustment   | \$ -       |
|    | 3                                     | Premium adjustments payable due to ACA Risk Adjustment  | \$ -       |
|    | Operations (Revenue & Expense)        |   |            |
|    | 4                                     | Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment | \$ -       |
|    | 5                                     | Reported in expenses as ACA risk adjustment user fees (incurred/paid)   | \$ 260,062 |
| b. | Transitional ACA Reinsurance Program  |   |            |
|    | Assets                                |   |            |
|    | 1                                     | Amounts recoverable for claims paid due to ACA Reinsurance  | \$ -       |
|    | 2                                     | Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)                                 | \$ -       |
|    | 3                                     | Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance                            | \$ -       |
|    | Liabilities                           |   |            |
|    | 4                                     | Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium                    | \$ -       |
|    | 5                                     | Ceded reinsurance premiums payable due to ACA Reinsurance   | \$ -       |
|    | 6                                     | Liability for amounts held under uninsured plans contributions for ACA Reinsurance                              | \$ -       |
|    | Operations (Revenue & Expense)        |   |            |
|    | 7                                     | Ceded reinsurance premiums due to ACA Reinsurance   | \$ -       |
|    | 8                                     | Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments                  | \$ -       |
|    | 9                                     | ACA Reinsurance Contributions - not reported as ceded premium   | \$ -       |
| c. | Temporary ACA Risk Corridors Program  |   |            |
|    | Assets                                |   |            |
|    | 1                                     | Accrued retrospective premium due to ACA Risk Corridors   | \$ -       |
|    | Liabilities                           |   |            |
|    | 2                                     | Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors                          | \$ -       |
|    | Operations (Revenue & Expense)        |   |            |
|    | 3                                     | Effect of ACA Risk Corridors on net premium income (paid/received)  | \$ -       |
|    | 4                                     | Effect of ACA Risk Corridors on change in reserves for rate credits   | \$ -       |

Notes to Financial Statement

3. Roll – forward of prior year ACA risk – sharing provisions for the following assets (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

|    |  | Accrued During the Prior Year<br>on Business Written Before<br>December 31 of the Prior Year |             | Received or Paid as of the<br>Current Year on Business<br>Written Before December 31<br>of the Prior Year |           | Differences   |   | Adjustments               |                           |     | Unsettled Balances as of the<br>Reporting Date           |  |
|----|--|--|-------------|---|-----------|---|---|---------------------------|---------------------------|-----|--|--|
|    |  |  |             |   |           |   |   |                           |                           |     |  |  |
|    |  |  |             |   |           | Prior Year<br>Accrued Less<br>Payments<br>(Col 1-3) | Prior Year<br>Accrued Less<br>Payments<br>(Col 2-4) | To Prior Year<br>Balances | To Prior Year<br>Balances |     | Cumulative<br>Balance from<br>Prior Years<br>(Col 1-3+7) | Cumulative<br>Balance from<br>Prior Years<br>(Col 2-4+8) |
|    |  | 1  | 2           | 3   | 4         | 5   | 6   | 7                         | 8                         |     | 9  | 10   |
|    |  | Receivable   | (Payable)   | Receivable  | (Payable) | Receivable  | (Payable)   | Receivable                | (Payable)                 | Ref | Receivable   | (Payable)  |
| a. | Permanent ACA Risk Adjustment Program  |  |             |   |           |   |   |                           |                           |     |  |  |
|    | 1 Premium adjustments receivable   | -  | (8,400,000) | -   | -         | -   | (8,400,000)   | -                         | -                         | -   | -  | (8,400,000)  |
|    | 2 Premium adjustments (payable)  | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 3 Subtotal ACA Permanent Risk Adjustment Program                                       | -  | (8,400,000) | -   | -         | -   | (8,400,000)   | -                         | -                         | -   | -  | (8,400,000)  |
| b. | Transitional ACA Reinsurance Program   | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 1 Amounts recoverable for claims paid  | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 2 Amounts recoverable for claims unpaid (contra liability)                             | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 3 Amounts receivable relating to uninsured plans                                       | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 4 Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 5 Ceded reinsurance premiums payable   | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 6 Liability for amounts held under uninsured plans                                     | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 7 Subtotal ACA Transitional Reinsurance Program  | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
| c. | Temporary ACA Risk Corridors Program   | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 1 Accrued retrospective premium  | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 2 Reserve for rate credits or policy experience rating refunds                         | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
|    | 3 Subtotal ACA Risk Corridors Program  | -  | -           | -   | -         | -   | -   | -                         | -                         | -   | -  | -  |
| d. | Total for ACA Risk Sharing Provisions  | -  | (8,400,000) | -   | -         | -   | (8,400,000)   | -                         | -                         | -   | -  | (8,400,000)  |
|    |  |  |             |   |           |   |   |                           |                           |     |  |  |

4. Roll – forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

| Risk Corridor Program Year |                          |   | Accrued During the Prior Year<br>on Business Written Before<br>December 31 of the Prior Year |           | Received or Paid as of the<br>Current Year on Business<br>Written Before December 31<br>of the Prior Year |           | Differences   |   | Adjustments               |                           |     | Unsettled Balances as of the<br>Reporting Date           |  |
|----------------------------|--------------------------|---|--|-----------|---|-----------|---|---|---------------------------|---------------------------|-----|--|--|
|                            |                          |   |  |           |   |           | Prior Year<br>Accrued Less<br>Payments<br>(Col 1-3) | Prior Year<br>Accrued Less<br>Payments<br>(Col 2-4) | To Prior Year<br>Balances | To Prior Year<br>Balances |     | Cumulative<br>Balance from<br>Prior Years<br>(Col 1-3+7) | Cumulative<br>Balance from<br>Prior Years<br>(Col 2-4+8) |
|                            |                          |   | 1  | 2         | 3   | 4         | 5   | 6   | 7                         | 8                         |     | 9  | 10   |
|                            |                          |   | Receivable   | (Payable) | Receivable  | (Payable) | Receivable  | (Payable)   | Receivable                | (Payable)                 | Ref | Receivable   | (Payable)  |
| a.                         | 2014                     |   |  |           |   |           |   |   |                           |                           |     |  |  |
|                            | 1.                       | Accrued retrospective premium                                   | 0  | 0         | 0   | 0         | 0   | 0   | 0                         | 0                         | A   | 0  | 0  |
|                            | 2.                       | Reserve for rate credits or policy<br>experience rating refunds |  |           |   |           |   |   |                           |                           |     |  |  |
| b.                         | 2015                     |   |  |           |   |           |   |   |                           |                           |     |  |  |
|                            | 1.                       | Accrued retrospective premium                                   | 0  | 0         | 0   | 0         | 0   | 0   | 0                         | 0                         | A   | 0  | 0  |
|                            | 2.                       | Reserve for rate credits or policy<br>experience rating refunds | 0  | 0         | 0   | 0         | 0   | 0   | 0                         | 0                         |     | 0  | 0  |
| c.                         | 2016                     |   |  |           |   |           |   |   |                           |                           |     |  |  |
|                            | 1.                       | Accrued retrospective premium                                   | 0  | 0         | 0   | 0         | 0   | 0   | 0                         | 0                         |     | 0  | 0  |
|                            | 2.                       | Reserve for rate credits or policy<br>experience rating refunds | 0  | 0         | 0   | 0         | 0   | 0   | 0                         | 0                         |     | 0  | 0  |
| d.                         | Total for Risk Corridors |   |  | 0         | 0   | 0         |   | 0   | 0                         | 0                         |     | 0  | 0  |

Note 25 - Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2017 were \$233,441,004 for unpaid claims and incentives and \$0 for unpaid claims adjustment expenses. As of March 31, 2018, \$156,916,166 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. There are \$76,539,816 reserves remaining for prior years. Therefore there has been a \$14,978 favorable prior year development since December 31, 2017 to March 31, 2018. Original estimates are increased or decreased as additional information becomes know regarding individual claims.

Note 26 - Intercompany Pooling Arrangements

None

Note 27 - Structured Settlements

None

**Notes to Financial Statement**

**Note 28 - Health Care Receivables**

No change

**Note 29 - Participating Policies**

None

**Note 30 - Premium Deficiency Reserves**

None

**Note 31 - Anticipated Salvage and Subrogation**

None



**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**  
**GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:

.....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[ ]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[ ] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group?

Yes[ ] No[X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1              | 2                 | 3                 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | State of Domicile |
| .....          | .....             | .....             |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

If yes, attach an explanation.

Yes[ ] No[X] N/A[ ]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2014.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2104.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....03/31/2016.....
- 6.4 By what department or departments?

DIFS
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[ ] No[ ] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[ ] N/A[ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

| 1              | 2                      | 3              | 4              | 5              | 6              |
|----------------|------------------------|----------------|----------------|----------------|----------------|
| Affiliate Name | Location (City, State) | FRB            | OCC            | FDIC           | SEC            |
| .....          | .....                  | ..... No ..... | ..... No ..... | ..... No ..... | ..... No ..... |

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

Yes[X] No[ ]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$..... 0

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$..... 0
13. Amount of real estate and mortgages held in short-term investments:

\$..... 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[ ] No[X]
- 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

|       |   | 1   | 2  |
|-------|---|---|--|
|       |   | Prior Year-End<br>Book/Adjusted<br>Carrying Value | Current Quarter<br>Book/Adjusted<br>Carrying Value |
| 14.21 | Bonds .....   |   |  |
| 14.22 | Preferred Stock .....   |   |  |
| 14.23 | Common Stock .....  |   |  |
| 14.24 | Short-Term Investments .....  |   |  |
| 14.25 | Mortgages Loans on Real Estate .....  |   |  |
| 14.26 | All Other .....   |   |  |
| 14.27 | Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... |   |  |
| 14.28 | Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       |   |  |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page

\$ ..... 0  
\$ ..... 0  
\$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[ ]

| 1                            | 2   |
|------------------------------|---|
| Name of Custodian(s)         | Custodian Address                           |
| Comerica Bank .....          | 411 W. Lafayette, Detroit, 48226 .....      |
| Illinois National Bank ..... | 322 E. Capital, Springfield, IL 62701 ..... |

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1       | 2           | 3                       |
|---------|-------------|-------------------------|
| Name(s) | Location(s) | Complete Explanation(s) |
| .....   | .....       | .....                   |

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[ ] No[X]

| 1             | 2             | 3              | 4      |
|---------------|---------------|----------------|--------|
| Old Custodian | New Custodian | Date of Change | Reason |
| .....         | .....         | .....          | .....  |

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [" that have access to the investment accounts"; " handle securities"]

| 1                          | 2             |
|----------------------------|---------------|
| Name of Firm or Individual | Affiliation   |
| RSW Investments .....      | ..... U ..... |
| Madison Scottsdale .....   | ..... U ..... |
| Wells Fargo Advisors ..... | ..... U ..... |

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

Yes[X] No[ ]  
Yes[ ] No[X]

| 1   | 2                          | 3                                | 4                  | 5  |
|---|----------------------------|----------------------------------|--------------------|--|
| Central Registration<br>Depository Number | Name of Firm or Individual | Legal Entity<br>Identifier (LEI) | Registered<br>With | Investment Management<br>Agreement (IMA) Filed |
| 134261 .....                              | RSW Investments .....      | n/a .....                        | SEC .....          | ..... NO .....                                 |
| 110297 .....                              | Madison Scottsdale .....   | n/a .....                        | SEC .....          | ..... NO .....                                 |
| 19616 .....                               | Wells Fargo Advisors ..... | 88KRVSOEKUGQZI3DKW55 ..          | SEC .....          | ..... NO .....                                 |

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

18.2 If no, list exceptions:

19. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for each self-designated 5\*GI security:  
a. Documentation necessary to permit a full credit analysis of the security does not exist.  
b. Issuer or obligor is current on all contracted interest and principal payments.  
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5\*GI securities?

Yes[X] No[ ]  
Yes[ ] No[X]

**GENERAL INTERROGATORIES**

**PART 2 - HEALTH**

|   |               |
|---|---------------|
| 1. Operating Percentages:   |               |
| 1.1 A&H loss percent  | ..... 91.641% |
| 1.2 A&H cost containment percent  | ..... 2.560%  |
| 1.3 A&H expense percent excluding cost containment expenses   | ..... 1.118%  |
| 2.1 Do you act as a custodian for health savings accounts?  | Yes[ ] No[X]  |
| 2.2 If yes, please provide the amount of custodial funds held as of the reporting date.   | \$..... 0     |
| 2.3 Do you act as an administrator for health savings accounts?   | Yes[ ] No[X]  |
| 2.4 If yes, please provide the balance of the funds administered as of the reporting date.  | \$..... 0     |
| 3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?   | Yes[X] No[ ]  |
| 3.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? | Yes[ ] No[X]  |

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

| 1<br>NAIC<br>Company<br>Code                | 2<br>ID<br>Number | 3<br>Effective<br>Date | 4<br>Name of Reinsurer      | 5<br>Domiciliary<br>Jurisdiction | 6<br>Type of<br>Reinsurance<br>Ceded | 7<br>Type of<br>Reinsurer | 8<br>Certified<br>Reinsurer Rating<br>(1 through 6) | 9<br>Effective Date<br>of Certified<br>Reinsurer Rating |
|---|-------------------|------------------------|-----------------------------|----------------------------------|--------------------------------------|---------------------------|---|---|
|   |                   |                        |                             |                                  |                                      |                           |   |   |
|   |                   |                        |                             |                                  |                                      |                           |   |   |
| <b>Accident and Health - Non-affiliates</b> |                   |                        |                             |                                  |                                      |                           |   |   |
| 11835 .....                                 | 04-1590940 .....  | 07/01/2017 .....       | PARTNERRE AMER INS CO ..... | DE .....                         | SS/A/I .....                         | Authorized .....          |   |   |
| 11835 .....                                 | 04-1590940 .....  | 01/01/2018 .....       | PARTNERRE AMER INS CO ..... | DE .....                         | SS/A/I .....                         | Authorized .....          |   |   |
|   |                   |                        |                             |                                  |                                      |                           |   |   |
|   |                   |                        |                             |                                  |                                      |                           |   |   |
|   |                   |                        |                             |                                  |                                      |                           |   |   |

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Current Year to Date - Allocated by States and Territories**

|                      |   | 1                 | Direct Business Only         |                      |                    |  |  |                             |                           |                        |
|----------------------|---|-------------------|------------------------------|----------------------|--------------------|--|--|-----------------------------|---------------------------|------------------------|
|                      |   |                   | 2                            | 3                    | 4                  | 5  | 6  | 7                           | 8                         | 9                      |
| State, Etc.          |   | Active Status (a) | Accident and Health Premiums | Medicare Title XVIII | Medicaid Title XIX | Federal Employees Health Benefits Program Premiums | Life and Annuity Premiums and Other Considerations | Property/ Casualty Premiums | Total Columns 2 Through 7 | Deposit-Type Contracts |
| 1.                   | Alabama (AL) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 2.                   | Alaska (AK) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 3.                   | Arizona (AZ) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 4.                   | Arkansas (AR) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 5.                   | California (CA) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 6.                   | Colorado (CO) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 7.                   | Connecticut (CT) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 8.                   | Delaware (DE) .....   | L                 |                              |                      |                    |  |  |                             |                           |                        |
| 9.                   | District of Columbia (DC) .....                                     | L                 |                              |                      |                    |  |  |                             |                           |                        |
| 10.                  | Florida (FL) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 11.                  | Georgia (GA) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 12.                  | Hawaii (HI) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 13.                  | Idaho (ID) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 14.                  | Illinois (IL) .....   | L                 |                              |                      |                    |  |  |                             |                           |                        |
| 15.                  | Indiana (IN) .....  | L                 |                              | 1,458                |                    |  |  |                             | 1,458                     |                        |
| 16.                  | Iowa (IA) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 17.                  | Kansas (KS) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 18.                  | Kentucky (KY) .....   | L                 |                              |                      |                    |  |  |                             |                           |                        |
| 19.                  | Louisiana (LA) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 20.                  | Maine (ME) .....  | L                 |                              |                      |                    |  |  |                             |                           |                        |
| 21.                  | Maryland (MD) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 22.                  | Massachusetts (MA) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 23.                  | Michigan (MI) .....   | L                 | 7,358,548                    | 58,861,774           | 424,578,087        |  |  |                             | 490,798,409               |                        |
| 24.                  | Minnesota (MN) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 25.                  | Mississippi (MS) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 26.                  | Missouri (MO) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 27.                  | Montana (MT) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 28.                  | Nebraska (NE) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 29.                  | Nevada (NV) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 30.                  | New Hampshire (NH) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 31.                  | New Jersey (NJ) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 32.                  | New Mexico (NM) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 33.                  | New York (NY) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 34.                  | North Carolina (NC) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 35.                  | North Dakota (ND) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 36.                  | Ohio (OH) .....   | L                 |                              | 515,617              |                    |  |  |                             | 515,617                   |                        |
| 37.                  | Oklahoma (OK) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 38.                  | Oregon (OR) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 39.                  | Pennsylvania (PA) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 40.                  | Rhode Island (RI) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 41.                  | South Carolina (SC) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 42.                  | South Dakota (SD) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 43.                  | Tennessee (TN) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 44.                  | Texas (TX) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 45.                  | Utah (UT) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 46.                  | Vermont (VT) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 47.                  | Virginia (VA) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 48.                  | Washington (WA) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 49.                  | West Virginia (WV) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 50.                  | Wisconsin (WI) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 51.                  | Wyoming (WY) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 52.                  | American Samoa (AS) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 53.                  | Guam (GU) .....   | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 54.                  | Puerto Rico (PR) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 55.                  | U.S. Virgin Islands (VI) .....                                      | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 56.                  | Northern Mariana Islands (MP) .....                                 | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 57.                  | Canada (CAN) .....  | N                 |                              |                      |                    |  |  |                             |                           |                        |
| 58.                  | Aggregate other alien (OT) .....                                    | X X X             |                              |                      |                    |  |  |                             |                           |                        |
| 59.                  | Subtotal .....  | X X X             | 7,358,548                    | 59,378,849           | 424,578,087        |  |  |                             | 491,315,484               |                        |
| 60.                  | Reporting entity contributions for Employee Benefit Plans .....     | X X X             |                              |                      |                    |  |  |                             |                           |                        |
| 61.                  | Total (Direct Business) .....                                       | X X X             | 7,358,548                    | 59,378,849           | 424,578,087        |  |  |                             | 491,315,484               |                        |
| DETAILS OF WRITE-INS |   |                   |                              |                      |                    |  |  |                             |                           |                        |
| 58001.               | .....   | X X X             |                              |                      |                    |  |  |                             |                           |                        |
| 58002.               | .....   | X X X             |                              |                      |                    |  |  |                             |                           |                        |
| 58003.               | .....   | X X X             |                              |                      |                    |  |  |                             |                           |                        |
| 58998.               | Summary of remaining write-ins for Line 58 from overflow page ..... | X X X             |                              |                      |                    |  |  |                             |                           |                        |
| 58999.               | TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) ..... | X X X             |                              |                      |                    |  |  |                             |                           |                        |

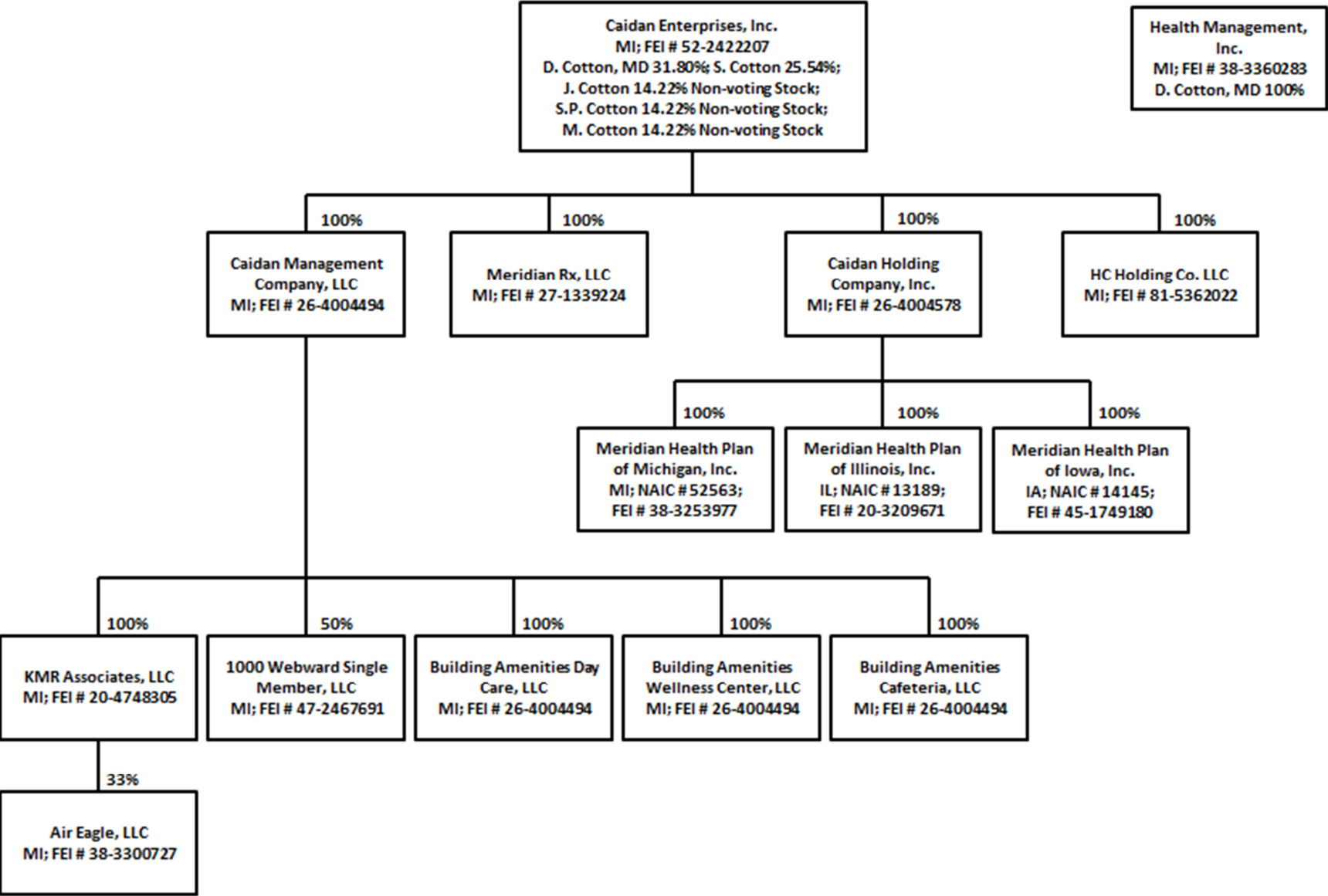
(a) Active Status Counts:

- L Licensed or Chartered - Licensed insurance carrier or domiciled RRG
- E Eligible - Reporting entities eligible or approved to write surplus lines in the state
- N None of the above Not allowed to write business in the state

- R Registered - Non-domiciled RRGs
- Q Qualified - Qualified or accredited reinsurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER  
MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART



**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

| 1          | 2                          | 3                   | 4          | 5            | 6     | 7  | 8   | 9                        | 10                                     | 11   | 12   | 13   | 14   | 15                               | 16      |
|------------|----------------------------|---------------------|------------|--------------|-------|--|---|--------------------------|--|--|--|--|--|----------------------------------|---------|
| Group Code | Group Name                 | NAIC Comp- any Code | ID Number  | FEDERAL RSSD | CIK   | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries or Affiliates   | Domic- iliary Loca- tion | Rela- tion- ship to Report- ing Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies) / Person(s) | Is an SCA Filing Required? (Y/N) | *       |
| .....      | .....                      | 00000               | 52-2422207 | .....        | ..... | .....  | Caidan Enterprises, Inc. ....                 | .. MI ..                 | ... UIP ..                             | David B. Cotton .....                            | Ownership, Board of Directors .....  | ..... 31.8                                 | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 52-2422207 | .....        | ..... | .....  | Caidan Enterprises, Inc. ....                 | .. MI ..                 | ... UIP ..                             | Shery Cotton .....                               | Ownership .....  | ..... 25.5                                 | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 26-4004578 | .....        | ..... | .....  | Caidan Holding Company, Inc. ....             | .. MI ..                 | ... UDP ..                             | Caidan Enterprises, Inc .....                    | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 26-4004494 | .....        | ..... | .....  | Caidan Management Company, LLC ....           | .. MI ..                 | ... NIA ..                             | Caidan Enterprises, Inc .....                    | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 38-3360283 | .....        | ..... | .....  | Health Management, Inc. ....                  | .. MI ..                 | ... NIA ..                             | David B. Cotton .....                            | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 27-1339224 | .....        | ..... | .....  | MeridianRx, LLC .....                         | .. MI ..                 | ... NIA ..                             | Caidan Enterprises, Inc. ....                    | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| 4640       | Caidan Enterprises Inc Grp | 13189               | 20-3209671 | .....        | ..... | .....  | Meridian Health Plan of Illinois, Inc. ....   | .. IL ..                 | ... IA ..                              | Caidan Holding Company, Inc. ....                | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| 4640       | Caidan Enterprises Inc Grp | 14145               | 45-1749180 | .....        | ..... | .....  | Meridian Health Plan of Iowa, Inc. ....       | .. IA ..                 | ... IA ..                              | Caidan Holding Company, Inc. ....                | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| 4640       | Caidan Enterprises Inc Grp | 52563               | 38-3253977 | .....        | ..... | .....  | Meridian Health Plan of Michigan, Inc. ....   | .. MI ..                 | ... RE ..                              | Caidan Holding Company, Inc. ....                | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 47-2467691 | .....        | ..... | .....  | 1000 Webward Single Member, LLC ....          | .. MI ..                 | ... NIA ..                             | Caidan Management Company, LLC .....             | Ownership .....  | ..... 50.0                                 | David B. Cotton .....                        | ... N ....                       | 0000001 |
| .....      | .....                      | 00000               | 26-4004494 | .....        | ..... | .....  | Building Amenities Day Care, LLC .....        | .. MI ..                 | ... NIA ..                             | Caidan Management Company, LLC .....             | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 26-4004494 | .....        | ..... | .....  | Building Amenities Wellness Center, LLC ..... | .. MI ..                 | ... NIA ..                             | Caidan Management Company, LLC .....             | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 26-4004494 | .....        | ..... | .....  | Building Amenities Cafeteria, LLC .....       | .. MI ..                 | ... NIA ..                             | Caidan Management Company, LLC .....             | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 20-4748305 | .....        | ..... | .....  | KMR Associates, LLC .....                     | .. MI ..                 | ... NIA ..                             | Caidan Management Company, LLC .....             | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | 38-3300727 | .....        | ..... | .....  | Air Eagle, LLC .....                          | .. MI ..                 | ... NIA ..                             | KMR Associates, LLC .....                        | Ownership .....  | ..... 33.0                                 | David B. Cotton .....                        | ... N ....                       | 0000001 |
| .....      | .....                      | 00000               | 81-5362022 | .....        | ..... | .....  | HC Holding Co. LLC .....                      | .. MI ..                 | ... NIA ..                             | Caidan Enterprises, Inc .....                    | Ownership .....  | ..... 100.0                                | David B. Cotton .....                        | ... N ....                       | .....   |
| .....      | .....                      | 00000               | .....      | .....        | ..... | .....  | .....   | .....                    | .....                                  | .....  | .....  | .....                                      | .....  | ... N ....                       | .....   |

|          |   |
|----------|---|
| Asterisk | Explanation   |
| 0000001  | The remaining percent is owned by one or more unaffiliate companies. .... |

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

## RESPONSE

No

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

Explanations:

Bar Codes:

## Medicare Part D Coverage Supplement





OVERFLOW PAGE FOR WRITE-INS

ASSETS

|  | Current Statement Date |                                |  | 4<br><br>December 31<br>Prior Year Net<br>Admitted Assets |
|--|------------------------|--------------------------------|--|---|
|  | 1<br><br>Assets        | 2<br><br>Nonadmitted<br>Assets | 3<br><br>Net Admitted<br>Assets<br>(Cols. 1 - 2) |   |
| 1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196) ..... | .....                  | .....                          | .....  | .....   |
| 2504. ....   | .....                  | .....                          | .....  | .....   |
| 2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) ..... | .....                  | .....                          | .....  | .....   |

STATEMENT OF REVENUE AND EXPENSES (Continued)

|  | 1<br><br>Current Year<br>To Date | 2<br><br>Prior Year<br>To Date | 3<br><br>Prior Year<br>Ended<br>December 31 |
|--|----------------------------------|--------------------------------|---|
| 4704. ....   | .....                            | .....                          | .....                                       |
| 4705. 0 .....  | .....                            | .....                          | .....                                       |
| 4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796) ..... | .....                            | .....                          | .....                                       |

STATEMENT AS OF **March 31, 2018** OF THE **Meridian Health Plan of Michigan, Inc.**

SCHEDULE A - VERIFICATION

| Real Estate   |              |                                 |
|---|--------------|---------------------------------|
|   | 1            | 2                               |
|   | Year To Date | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year .....  |              |                                 |
| 2. Cost of acquired:  |              |                                 |
| 2.1 Actual cost at time of acquisition .....  |              |                                 |
| 2.2 Additional investment made after acquisition .....  |              |                                 |
| 3. Current year change in encumbrances .....  |              |                                 |
| 4. Total gain (loss) on disposals .....   |              |                                 |
| 5. Deduct amounts received on disposals .....   |              |                                 |
| 6. Total foreign exchange change in book/adjusted carrying value .....                                    |              |                                 |
| 7. Deduct current year's other-than-temporary impairment recognized .....                                 |              |                                 |
| 8. Deduct current year's depreciation .....   |              |                                 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8 ) ..... |              |                                 |
| 10. Deduct total nonadmitted amounts .....  |              |                                 |
| 11. Statement value at end of current period (Line 9 minus Line 10) .....                                 |              |                                 |

SCHEDULE B - VERIFICATION

| Mortgage Loans  |              |                                 |
|---|--------------|---------------------------------|
|   | 1            | 2                               |
|   | Year To Date | Prior Year Ended<br>December 31 |
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....   |              |                                 |
| 2. Cost of acquired:  |              |                                 |
| 2.1 Actual cost at time of acquisition .....  |              |                                 |
| 2.2 Additional investment made after acquisition .....  |              |                                 |
| 3. Capitalized deferred interest and other .....  |              |                                 |
| 4. Accrual of discount .....  |              |                                 |
| 5. Unrealized valuation increase (decrease) .....   |              |                                 |
| 6. Total gain (loss) on disposals .....   |              |                                 |
| 7. Deduct amounts received on disposals .....   |              |                                 |
| 8. Deduct amortization of premium and mortgage interest points .....  |              |                                 |
| 9. Total foreign exchange change in book value/recorded investment .....  |              |                                 |
| 10. Deduct current year's other-than-temporary impairment recognized .....  |              |                                 |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) ..... |              |                                 |
| 12. Total valuation allowance .....   |              |                                 |
| 13. Subtotal (Line 11 plus Line 12) .....   |              |                                 |
| 14. Deduct total nonadmitted amounts .....  |              |                                 |
| 15. Statement value at end of current period (Line 13 minus Line 14) .....  |              |                                 |

SCHEDULE BA - VERIFICATION

| Other Long-Term Invested Assets  |              |                                 |
|--|--------------|---------------------------------|
|  | 1            | 2                               |
|  | Year To Date | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year .....   | 1,306,535    | 1,306,535                       |
| 2. Cost of acquired:   |              |                                 |
| 2.1 Actual cost at time of acquisition .....   |              |                                 |
| 2.2 Additional investment made after acquisition .....   |              |                                 |
| 3. Capitalized deferred interest and other .....   |              |                                 |
| 4. Accrual of discount .....   |              |                                 |
| 5. Unrealized valuation increase (decrease) .....  |              |                                 |
| 6. Total gain (loss) on disposals .....  |              |                                 |
| 7. Deduct amounts received on disposals .....  |              |                                 |
| 8. Deduct amortization of premium and depreciation .....   |              |                                 |
| 9. Total foreign exchange change in book/adjusted carrying value .....   |              |                                 |
| 10. Deduct current year's other-than-temporary impairment recognized .....                                     |              |                                 |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) ..... | 1,306,535    | 1,306,535                       |
| 12. Deduct total nonadmitted amounts .....   | 1,203,612    | 1,203,612                       |
| 13. Statement value at end of current period (Line 11 minus Line 12) .....                                     | 102,923      | 102,923                         |

SCHEDULE D - VERIFICATION

| Bonds and Stocks   |              |                                 |
|--|--------------|---------------------------------|
|  | 1            | 2                               |
|  | Year To Date | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....                           | 125,882,020  | 111,029,352                     |
| 2. Cost of bonds and stocks acquired .....   | 2,505,075    | 40,084,363                      |
| 3. Accrual of discount .....   | 7,717        | 14,236                          |
| 4. Unrealized valuation increase (decrease) .....  | 29,865       | 1,759,598                       |
| 5. Total gain (loss) on disposals .....  | (10,921)     | 352,771                         |
| 6. Deduct consideration for bonds and stocks disposed of .....   | 6,143,657    | 25,602,238                      |
| 7. Deduct amortization of premium .....  | 448,414      | 1,756,062                       |
| 8. Total foreign exchange change in book/adjusted carrying value .....   |              |                                 |
| 9. Deduct current year's other-than-temporary impairment recognized .....                                      |              |                                 |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....      | 27,586       |                                 |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) ..... | 121,849,271  | 125,882,020                     |
| 12. Deduct total nonadmitted amounts .....   |              |                                 |
| 13. Statement value at end of current period (Line 11 minus Line 12) .....                                     | 121,849,271  | 125,882,020                     |

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

| NAIC Designation       |                                     | 1<br>Book/Adjusted<br>Carrying Value<br>Beginning of<br>Current Quarter | 2<br>Acquisitions<br>During Current<br>Quarter | 3<br>Dispositions<br>During Current<br>Quarter | 4<br>Non-Trading<br>Activity During<br>Current Quarter | 5<br>Book/Adjusted<br>Carrying Value<br>End of<br>First Quarter | 6<br>Book/Adjusted<br>Carrying Value<br>End of<br>Second Quarter | 7<br>Book/Adjusted<br>Carrying Value<br>End of<br>Third Quarter | 8<br>Book/Adjusted<br>Carrying Value<br>December 31<br>Prior Year |
|------------------------|-------------------------------------|---|--|--|--|---|--|---|---|
| <b>BONDS</b>           |                                     |   |  |  |  |   |  |   |   |
| 1.                     | NAIC 1 (a) .....                    | 145,120,636   | 8,366,312                                      | 14,489,125                                     | (667,968)  | 138,329,855   |  |   | 145,120,636   |
| 2.                     | NAIC 2 (a) .....                    | 34,305,121  | 8,438,733                                      | 4,979,967                                      | (73,342)   | 37,690,546  |  |   | 34,305,121  |
| 3.                     | NAIC 3 (a) .....                    | 529,495   |  | 526,339  | (3,156)  |   |  |   | 529,495   |
| 4.                     | NAIC 4 (a) .....                    |   |  |  |  |   |  |   |   |
| 5.                     | NAIC 5 (a) .....                    |   |  |  |  |   |  |   |   |
| 6.                     | NAIC 6 (a) .....                    |   |  |  |  |   |  |   |   |
| 7.                     | Total Bonds .....                   | 179,955,252   | 16,805,045                                     | 19,995,431                                     | (744,465)  | 176,020,401   |  |   | 179,955,252   |
| <b>PREFERRED STOCK</b> |                                     |   |  |  |  |   |  |   |   |
| 8.                     | NAIC 1 .....                        |   |  |  |  |   |  |   |   |
| 9.                     | NAIC 2 .....                        |   |  |  |  |   |  |   |   |
| 10.                    | NAIC 3 .....                        |   |  |  |  |   |  |   |   |
| 11.                    | NAIC 4 .....                        |   |  |  |  |   |  |   |   |
| 12.                    | NAIC 5 .....                        |   |  |  |  |   |  |   |   |
| 13.                    | NAIC 6 .....                        |   |  |  |  |   |  |   |   |
| 14.                    | Total Preferred Stock .....         |   |  |  |  |   |  |   |   |
| 15.                    | Total Bonds & Preferred Stock ..... | 179,955,252   | 16,805,045                                     | 19,995,431                                     | (744,465)  | 176,020,401   |  |   | 179,955,252   |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....38,403,319; NAIC 2 \$.....33,001,929; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

**SCHEDULE DA - PART 1**

**Short - Term Investments**

|                       | 1<br>Book/Adjusted<br>Carrying<br>Value | 2<br>Par Value | 3<br>Actual<br>Cost | 4<br>Interest Collected<br>Year To Date | 5<br>Paid for Accrued<br>Interest<br>Year To Date |
|-----------------------|---|----------------|---------------------|---|---|
| 9199999. Totals ..... | 71,405,249                              | X X X          | 72,092,952          | 230,156                                 | 61,517  |

**SCHEDULE DA - Verification**

**Short-Term Investments**

|     |  | 1<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|-----|--|-------------------|--------------------------------------|
| 1.  | Book/adjusted carrying value, December 31 of prior year .....  | 71,295,068        | 83,072,839                           |
| 2.  | Cost of short-term investments acquired .....  | 15,181,700        | 22,355,753                           |
| 3.  | Accrual of discount .....  | 1,403             | 4,650                                |
| 4.  | Unrealized valuation increase (decrease) .....   |                   |                                      |
| 5.  | Total gain (loss) on disposals .....   | 19                | (49,898)                             |
| 6.  | Deduct consideration received on disposals .....   | 14,767,769        | 32,410,767                           |
| 7.  | Deduct amortization of premium .....   | 305,172           | 1,677,509                            |
| 8.  | Total foreign exchange change in book/adjusted carrying value .....                                      |                   |                                      |
| 9.  | Deduct current year's other-than-temporary impairment recognized ....                                    |                   |                                      |
| 10. | Book/adjusted carrying value at end of current period (Lines 1 + 2 +<br>3 + 4 + 5 - 6 - 7 + 8 - 9) ..... | 71,405,249        | 71,295,068                           |
| 11. | Deduct total nonadmitted amounts .....   |                   |                                      |
| 12. | Statement value at end of current period (Line 10 minus Line 11) .....                                   | 71,405,249        | 71,295,068                           |

**SI04   Schedule DB - Part A Verification   .....   NONE**

**SI04   Schedule DB - Part B Verification   .....   NONE**

**SI05   Schedule DB Part C Section 1   .....   NONE**

**SI06   Schedule DB Part C Section 2   .....   NONE**

**SI07   Schedule DB - Verification   .....   NONE**

**SCHEDULE E - PART 2 - VERIFICATION**  
**(Cash Equivalents)**

|     |  | 1            | 2                               |
|-----|--|--------------|---------------------------------|
|     |  | Year To Date | Prior Year Ended<br>December 31 |
| 1.  | Book/adjusted carrying value, December 31 of prior year .....  | 2,076,605    | .....                           |
| 2.  | Cost of cash equivalents acquired .....  | 19,930,025   | 123,518,295                     |
| 3.  | Accrual of discount .....  | .....        | .....                           |
| 4.  | Unrealized valuation increase (decrease) .....   | .....        | .....                           |
| 5.  | Total gain (loss) on disposals .....   | .....        | .....                           |
| 6.  | Deduct consideration received on disposals .....   | 15,271,982   | 121,441,690                     |
| 7.  | Deduct amortization of premium .....   | .....        | .....                           |
| 8.  | Total foreign exchange change in book/adjusted carrying value .....                                      | .....        | .....                           |
| 9.  | Deduct current year's other-than-temporary impairment recognized .....                                   | .....        | .....                           |
| 10. | Book/adjusted carrying value at end of current period (Lines 1 + 2 +<br>3 + 4 + 5 - 6 - 7 + 8 - 9) ..... | 6,734,648    | 2,076,605                       |
| 11. | Deduct total nonadmitted amounts .....   | .....        | .....                           |
| 12. | Statement value at end of current period (Line 10 minus Line 11) .....                                   | 6,734,648    | 2,076,605                       |

**E01   Schedule A Part 2   ..... NONE**

**E01   Schedule A Part 3   ..... NONE**

**E02   Schedule B Part 2   ..... NONE**

**E02   Schedule B Part 3   ..... NONE**

**E03   Schedule BA Part 2   ..... NONE**

**E03   Schedule BA Part 3   ..... NONE**

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

| 1   | 2  | 3         | 4                | 5                                | 6                            | 7                     | 8                     | 9  | 10  |
|---|--|-----------|------------------|----------------------------------|------------------------------|-----------------------|-----------------------|--|---|
| CUSIP<br>Identification                                 | Description  | Foreign   | Date Acquired    | Name of<br>Vendor                | Number of<br>Shares of Stock | Actual Cost           | Par Value             | Paid for<br>Accrued<br>Interest and<br>Dividends | NAIC<br>Designation<br>or Market<br>Indicator (a) |
| <b>Bonds - U.S. Governments</b>                         |  |           |                  |                                  |                              |                       |                       |  |   |
| 912828B90 ..  | UNITED STATES TREASURY .....   |           | .. 02/16/2018 .. | FIRST CLEARING CORPORATION ..... | ..... X X X .....            | ..... 328,917 .....   | ..... 330,000 .....   | ..... 3,154 .....                                | 1 .....   |
| 0599999   | Subtotal - Bonds - U.S. Governments .....                              |           |                  |                                  | ..... X X X .....            | ..... 328,917 .....   | ..... 330,000 .....   | ..... 3,154 .....                                | ..... X X X .....                                 |
| <b>Bonds - U.S. States, Territories and Possessions</b> |  |           |                  |                                  |                              |                       |                       |  |   |
| 677522WR1 ..  | OHIO ST .....  |           | .. 02/05/2018 .. | Not Provided .....               | ..... X X X .....            | ..... 720,950 .....   | ..... 625,000 .....   | ..... 1,215 .....                                | 1FE .....   |
| 1799999   | Subtotal - Bonds - U.S. States, Territories and Possessions .....      |           |                  |                                  | ..... X X X .....            | ..... 720,950 .....   | ..... 625,000 .....   | ..... 1,215 .....                                | ..... X X X .....                                 |
| <b>Bonds - U.S. Special Revenue, Special Assessment</b> |  |           |                  |                                  |                              |                       |                       |  |   |
| 46613SHW3 ..  | JE A FLA ELEC SYS REV .....  |           | .. 01/12/2018 .. | Unknown .....                    | ..... X X X .....            | ..... 107,743 .....   | ..... 95,000 .....    | ..... 1,333 .....                                | Z .....   |
| 46613SJA9 ..  | JE A FLA ELEC SYS REV .....  |           | .. 01/12/2018 .. | Unknown .....                    | ..... X X X .....            | ..... 175,790 .....   | ..... 155,000 .....   | ..... 2,174 .....                                | 1FE .....   |
| 64971WXH8 ..  | NEW YORK N Y CITY TRANSITIONAL FIN AUTH .....                          |           | .. 02/28/2018 .. | Not Provided .....               | ..... X X X .....            | ..... 289,945 .....   | ..... 250,000 .....   | ..... 4,167 .....                                | 1FE .....   |
| 3199999   | Subtotal - Bonds - U.S. Special Revenue, Special Assessment .....      |           |                  |                                  | ..... X X X .....            | ..... 573,478 .....   | ..... 500,000 .....   | ..... 7,674 .....                                | ..... X X X .....                                 |
| 8399997   | Subtotal - Bonds - Part 3 .....  |           |                  |                                  | ..... X X X .....            | ..... 1,623,345 ..... | ..... 1,455,000 ..... | ..... 12,043 .....                               | ..... X X X .....                                 |
| 8399998   | Summary Item from Part 5 for Bonds (N/A to Quarterly) .....            |           |                  |                                  | ..... X X X .....            | ..... X X X .....     | ..... X X X .....     | ..... X X X .....                                | ..... X X X .....                                 |
| 8399999   | Subtotal - Bonds .....   |           |                  |                                  | ..... X X X .....            | ..... 1,623,345 ..... | ..... 1,455,000 ..... | ..... 12,043 .....                               | ..... X X X .....                                 |
| 8999998   | Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) ..... |           |                  |                                  | ..... X X X .....            | ..... X X X .....     | ..... X X X .....     | ..... X X X .....                                | ..... X X X .....                                 |
| 8999999   | Subtotal - Preferred Stocks .....                                      |           |                  |                                  | ..... X X X .....            | ..... X X X .....     | ..... X X X .....     | ..... X X X .....                                | ..... X X X .....                                 |
| <b>Common Stocks - Mutual Funds</b>                     |  |           |                  |                                  |                              |                       |                       |  |   |
| 24610C857 ..  | DELAWARE VALUE;INST .....  | ... C ... | .. 03/23/2018 .. | Not Provided .....               | ..... 320.045 .....          | ..... 6,731 .....     | ..... X X X .....     |  | U .....   |
| 47803T627 ..  | J HANCOCK III;INT GR;I .....   |           | .. 01/25/2018 .. | Not Provided .....               | ..... 29,481.132 .....       | ..... 875,000 .....   | ..... X X X .....     |  | L .....   |
| 9299999   | Subtotal - Common Stocks - Mutual Funds .....                          |           |                  |                                  | ..... X X X .....            | ..... 881,731 .....   | ..... X X X .....     |  | ..... X X X .....                                 |
| 9799997   | Subtotal - Common Stocks - Part 3 .....                                |           |                  |                                  | ..... X X X .....            | ..... 881,731 .....   | ..... X X X .....     |  | ..... X X X .....                                 |
| 9799998   | Summary Item from Part 5 for Common Stocks (N/A to Quarterly) .....    |           |                  |                                  | ..... X X X .....            | ..... X X X .....     | ..... X X X .....     | ..... X X X .....                                | ..... X X X .....                                 |
| 9799999   | Subtotal - Common Stocks .....   |           |                  |                                  | ..... X X X .....            | ..... 881,731 .....   | ..... X X X .....     |  | ..... X X X .....                                 |
| 9899999   | Subtotal - Preferred and Common Stocks .....                           |           |                  |                                  | ..... X X X .....            | ..... 881,731 .....   | ..... X X X .....     |  | ..... X X X .....                                 |
| 9999999   | Total - Bonds, Preferred and Common Stocks .....                       |           |                  |                                  | ..... X X X .....            | ..... 2,505,075 ..... | ..... X X X .....     | ..... 12,043 .....                               | ..... X X X .....                                 |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....1.



QE05

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of  
During the Current Quarter

| 1   | 2                                | 3<br>F<br>o<br>r<br>e<br>i<br>g<br>n | 4                | 5                    | 6                               | 7             | 8            | 9              | 10   | Change in Book/Adjusted Carrying Value             |  |   |   |  | 16   | 17  | 18                                     | 19                                  | 20  | 21  | 22  |   |
|---|----------------------------------|--------------------------------------|------------------|----------------------|---------------------------------|---------------|--------------|----------------|--|--|--|---|---|--|--|---|--|-------------------------------------|---|---|---|---|
|   |                                  |                                      |                  |                      |                                 |               |              |                |  | 11   | 12   | 13  | 14  | 15   |  |   |  |                                     |   |   |   |   |
| CUSIP<br>Identification   | Description                      |                                      | Disposal<br>Date | Name of<br>Purchaser | Number<br>of Shares<br>of Stock | Consideration | Par<br>Value | Actual<br>Cost | Prior Year<br>Book/<br>Adjusted<br>Carrying<br>Value | Unrealized<br>Valuation<br>Increase/<br>(Decrease) | Current Year's<br>(Amortization)/<br>Accretion | Current Year's<br>Other Than<br>Temporary<br>Impairment<br>Recognized | Total<br>Change in<br>B./A.C.V.<br>(11 + 12 - 13) | Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. | Book/<br>Adjusted<br>Carrying Value<br>at Disposal<br>Date | Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | Realized<br>Gain (Loss)<br>on Disposal | Total<br>Gain (Loss)<br>on Disposal | Bond Interest/<br>Stock<br>Dividends<br>Received<br>During Year | Stated<br>Contractual<br>Maturity<br>Date | NAIC<br>Designation<br>or Market<br>Indicator (a) |   |
| Bonds - U.S. Governments  |                                  |                                      |                  |                      |                                 |               |              |                |  |  |  |   |   |  |  |   |  |                                     |   |   |   |   |
| 36296DJ82   | GN 687987 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 880           | 880          | 922            | 906  |  |  | (27)  | (27)  |  | 880  |   |  |                                     |   | 2   | 10/15/2023  | 1 |
| 36296JCv5   | GN 692284 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 3,337         | 3,337        | 3,448          | 3,463  |  |  | (128)   | (128)   |  | 3,337  |   |  |                                     | 6   | 08/15/2039                                | 1   |   |
| 36297FSv5   | GN 710732 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 2,036         | 2,036        | 2,118          | 2,081  |  |  | (45)  | (45)  |  | 2,036  |   | 0                                      | 0                                   | 5   | 08/15/2024                                | 1   |   |
| 38373MR51   | GNR 0814A C - CMBS               |                                      | 03/01/2018       | Paydown              | X X X                           | 18,042        | 18,042       | 18,886         | 18,461   |  |  | (423)   | (423)   |  | 18,042   |   | 0                                      | 0                                   | 117   | 12/16/2042                                | 1   |   |
| 38373SW78   | GNR 0335 TB - CMO/RMBS           |                                      | 03/01/2018       | Paydown              | X X X                           | 2,066         | 2,066        | 2,087          | 2,079  |  |  | (12)  | (12)  |  | 2,066  |   | 0                                      | 0                                   | 7   | 03/16/2033                                | 1   |   |
| 38375CWQ9   | GNR 1243E JP - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 7,074         | 7,074        | 7,447          | 7,304  |  |  | (228)   | (228)   |  | 7,074  |   | 0                                      | 0                                   | 18  | 07/20/2039                                | 1   |   |
| 38376YXA4   | GNR 1043D QA - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 39,576        | 39,576       | 40,714         | 40,449   |  |  | (873)   | (873)   |  | 39,576   |   | 0                                      | 0                                   | 92  | 02/20/2039                                | 1   |   |
| 38377FY54   | GNR 1073B CA - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 36,841        | 36,841       | 38,292         | 37,418   |  |  | (576)   | (576)   |  | 36,841   |   | 0                                      | 0                                   | 139   | 08/20/2035                                | 1   |   |
| 38377JDZ3   | GNR 10109B CG - CMO/RMBS         |                                      | 03/20/2018       | Paydown              | X X X                           | 11,884        | 11,884       | 12,266         | 11,908   |  |  | (25)  | (25)  |  | 11,884   |   |  |                                     | 45  | 12/20/2037                                | 1   |   |
| 38377JPQ0   | GNR 1098F VA - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 30,897        | 30,897       | 34,779         | 31,154   |  |  | (84)  | (84)  |  | 30,897   |   |  |                                     | 170   | 09/20/2021                                | 1   |   |
| 38377JZM8   | GNR 10125B MJ - CMO/RMBS         |                                      | 03/01/2018       | Paydown              | X X X                           | 6,185         | 6,185        | 6,383          | 6,195  |  |  | 3   | 3   |  | 6,185  |   |  |                                     | 40  | 04/20/2039                                | 1   |   |
| 38377KCH1   | GNR 10114B MK - CMO/RMBS         |                                      | 03/01/2018       | Paydown              | X X X                           | 28,262        | 28,262       | 29,207         | 29,047   |  |  | (785)   | (785)   |  | 28,262   |   |  |                                     | 70  | 03/20/2039                                | 1   |   |
| 38377MH82   | GNR 10147F PH - CMO/RMBS         |                                      | 03/01/2018       | Paydown              | X X X                           | 17,125        | 17,125       | 17,570         | 17,531   |  |  | (405)   | (405)   |  | 17,125   |   | 0                                      | 0                                   | 37  | 05/20/2040                                | 1   |   |
| 38378BX53   | GNR 12132 AE - CMBS              |                                      | 03/01/2018       | Paydown              | X X X                           | 202,543       | 202,543      | 200,138        | 200,063  |  |  | 2,480   | 2,480   |  | 202,543  |   | 0                                      | 0                                   | 355   | 06/16/2053                                | 1   |   |
| 38378EP23   | GNR 1261A PD - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 47,207        | 47,207       | 47,562         | 47,499   |  |  | (292)   | (292)   |  | 47,207   |   | 0                                      | 0                                   | 79  | 04/20/2039                                | 1   |   |
| 38378J2R2   | GNR 1341E LD - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 38,683        | 38,683       | 38,296         | 38,387   |  |  | 296   | 296   |  | 38,683   |   | 0                                      | 0                                   | 36  | 01/20/2041                                | 1   |   |
| 38378ND91   | GNR 1433 AB - CMBS               |                                      | 03/01/2018       | Paydown              | X X X                           | 38,819        | 38,819       | 39,195         | 39,022   |  |  | (202)   | (202)   |  | 38,819   |   | 0                                      | 0                                   | 98  | 08/16/2039                                | 1   |   |
| 38378NNM0   | GNR 13193 A - CMBS               |                                      | 03/01/2018       | Paydown              | X X X                           | 33,694        | 33,694       | 33,863         | 33,781   |  |  | (86)  | (86)  |  | 33,694   |   | 0                                      | 0                                   | 54  | 09/16/2051                                | 1   |   |
| 38379JH61   | GNR 1536J AB - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 66,146        | 66,146       | 67,552         | 67,377   |  |  | (1,230)   | (1,230)   |  | 66,146   |   | 0                                      | 0                                   | 117   | 01/16/2040                                | 1   |   |
| 38379KEU8   | GNR 1533 AH - CMBS               |                                      | 03/01/2018       | Paydown              | X X X                           | 2,345         | 2,345        | 2,386          | 2,374  |  |  | (29)  | (29)  |  | 2,345  |   | 0                                      | 0                                   | 5   | 02/16/2045                                | 1   |   |
| 38379NYA4   | GNR 15102H HA - CMO/RMBS         |                                      | 03/01/2018       | Paydown              | X X X                           | 171,584       | 171,584      | 175,203        | 175,146  |  |  | (3,562)   | (3,562)   |  | 171,584  |   | 0                                      | 0                                   | 332   | 08/20/2041                                | 1   |   |
| 38380CXN8   | GNR 174F BG - CMO/RMBS           |                                      | 03/01/2018       | Paydown              | X X X                           | 44,773        | 44,773       | 44,717         | 44,718   |  |  | 56  | 56  |  | 44,773   |   | 0                                      | 0                                   | 94  | 05/20/2042                                | 1   |   |
| 831641E24   | SBIC 1310B B - ABS               |                                      | 03/01/2018       | Paydown              | X X X                           | 21,320        | 21,320       | 22,463         | 21,312   |  |  | 8   | 8   |  | 21,320   |   | 0                                      | 0                                   |   | 09/10/2023                                | 1   |   |
| 912828B90   | UNITED STATES TREASURY           |                                      | 03/06/2018       | Unknown              | X X X                           | 325,991       | 330,000      | 328,917        |  |  |  | 14  | 14  |  | 328,931  |   | (2,940)                                | (2,940)                             | 3,408   | 02/28/2021                                | 1   |   |
| 0599999 Subtotal - Bonds - U.S. Governments   |                                  |                                      |                  |                      | X X X                           | 1,197,311     | 1,201,321    | 1,214,409      | 877,673  |  |  | (6,154)   | (6,154)   |  | 1,200,252  |   | (2,941)                                | (2,941)                             | 5,326   | X X X                                     | X X X   |   |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions                    |                                  |                                      |                  |                      |                                 |               |              |                |  |  |  |   |   |  |  |   |  |                                     |   |   |   |   |
| 088365DC2   | BEXAR CNTY TEX HOSP DIST         |                                      | 03/01/2018       | Call @ 100.00        | X X X                           |               |              |                | 632,393  |  |  | (2,393)   | (2,393)   |  |  |   |  |                                     |   | 02/15/2032                                | 1FE   |   |
| 25476FUE6   | DISTRICT COLUMBIA                |                                      | 01/10/2018       | Not Provided         | X X X                           | 181,524       | 150,000      | 180,974        | 180,862  |  |  | (88)  | (88)  |  | 180,774  |   | 750                                    | 750                                 | 854   | 06/01/2032                                | 1FE   |   |
| 605041EL2   | MISSION CONS INDPOT SCH DIST TEX |                                      | 02/15/2018       | Call @ 100.00        | X X X                           | 350,000       | 350,000      | 364,284        | 350,419  |  |  | (419)   | (419)   |  | 350,000  |   |  |                                     | 8,750   | 02/15/2034                                | 1FE   |   |
| 2499999 Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions |                                  |                                      |                  |                      | X X X                           | 531,524       | 500,000      | 545,257        | 1,163,674  |  |  | (2,900)   | (2,900)   |  | 530,774  |   | 750                                    | 750                                 | 9,604   | X X X                                     | X X X   |   |
| Bonds - U.S. Special Revenue, Special Assessment  |                                  |                                      |                  |                      |                                 |               |              |                |  |  |  |   |   |  |  |   |  |                                     |   |   |   |   |
| 088365DC2   | BEXAR CNTY TEX HOSP DIST         |                                      | 03/01/2018       | Call @ 100.00        | X X X                           | 630,000       | 630,000      | 690,335        |  |  |  |   |   |  | 630,000  |   |  |                                     | 15,750  | 02/15/2032                                | 1FE   |   |
| 199561GH8   | COLUMBUS OHIO SWR REV            |                                      | 01/10/2018       | Not Provided         | X X X                           | 205,553       | 175,000      | 209,076        | 201,763  |  |  | (107)   | (107)   |  | 201,655  |   | 3,898                                  | 3,898                               | 997   | 06/01/2028                                | 1FE   |   |
| 254845GB0   | DISTRICT COLUMBIA WTR & SWR      |                                      |                  |                      |                                 |               |              |                |  |  |  |   |   |  |  |   |  |                                     |   |   |   |   |
|   | AUTH PUB UTI                     |                                      | 02/28/2018       | Not Provided         | X X X                           | 290,860       | 285,000      | 319,801        | 293,527  |  |  | (1,844)   | (1,844)   |  | 291,683  |   | (824)                                  | (824)                               | 5,938   | 10/01/2024                                | 1FE   |   |
| 31283KWN4   | FH G11553 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 1,294         | 1,294        | 1,309          | 1,294  |  |  | 0   | 0   |  | 1,294  | 0   | 0                                      | 0                                   | 12  | 04/01/2019                                | 1   |   |
| 3128KQD78   | FH A60126 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 1,240         | 1,240        | 1,299          | 1,319  |  |  | (78)  | (78)  |  | 1,240  | 0   | 0                                      | 0                                   | 0   | 05/01/2037                                | 1   |   |
| 3128MCGH2   | FH G13600 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 993           | 993          | 1,018          | 1,012  |  |  | (16)  | (16)  |  | 993  | 0   | 0                                      | 0                                   | 4   | 06/01/2024                                | 1   |   |
| 3128MMKX0   | FH G18309 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 759           | 759          | 779            | 775  |  |  | (12)  | (12)  |  | 759  | 0   | 0                                      | 0                                   | 3   | 05/01/2024                                | 1   |   |
| 3128PNC9H   | FH J09972 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 530           | 530          | 544            | 543  |  |  | 17  | 17  |  | 530  | 0   | 0                                      | 0                                   | 4   | 06/01/2024                                | 1   |   |
| 31297H4M8   | FH A29828 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 2,992         | 2,992        | 3,054          | 3,052  |  |  | (59)  | (59)  |  | 2,992  | 0   | 0                                      | 0                                   | 14  | 02/01/2035                                | 1   |   |
| 31297VY69   | FH A39733 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 864           | 864          | 882            | 890  |  |  | (22)  | (22)  |  | 864  | 0   | 0                                      | 0                                   | 0   | 11/01/2035                                | 1   |   |
| 31335HV0E   | FH C90613 - RMBS                 |                                      | 03/01/2018       | Paydown              | X X X                           | 471           | 471          | 502            | 460  |  |  | 11  | 11  |  | 471  | 0   | 0                                      | 0                                   | 2   | 01/01/2023                                | 1   |   |
| 3136A1BN4   | FNR 11103C JK - CMO/RMBS         |                                      | 03/01/2018       | Paydown              | X X X                           | 14,123        | 14,123       | 14,512         | 14,305   |  |  | (182)   | (182)   |  | 14,123   | 0   | 0                                      | 0                                   | 32  | 11/25/2029                                | 1   |   |
| 3136A4E88   | FNR 1217F QA - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 5,618         | 5,618        | 5,643          | 5,621  |  |  | (83)  | (83)  |  | 5,618  | 0   | 0                                      | 0                                   | 12  | 07/25/2039                                | 1   |   |
| 3136A9AZ1   | FNR 12106A MA - CMO/RMBS         |                                      | 03/01/2018       | Paydown              | X X X                           | 980           | 980          | 990            | 1,003  |  |  | (23)  | (23)  |  | 980  | 0   | 0                                      | 0                                   | 2   | 06/25/2042                                | 1   |   |
| 3136AEJA6   | FNR 1358A A - CMO/RMBS           |                                      | 03/01/2018       | Paydown              | X X X                           | 97,260        | 97,260       | 97,898         | 97,745   |  |  | (485)   | (485)   |  | 97,260   | 0   | 0                                      | 0                                   | 148   | 12/25/2039                                | 1   |   |
| 3136AFDX9   | FNR 1372E GB - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 77,199        | 77,199       | 78,417         | 78,188   |  |  | (989)   | (989)   |  | 77,199   | 0   | 0                                      | 0                                   | 158   | 11/25/2042                                | 1   |   |
| 3136AH2M1   | FNR 143B BL - CMO/RMBS           |                                      | 03/01/2018       | Paydown              | X X X                           | 13,305        | 13,305       | 13,540         | 13,481   |  |  | (176)   | (176)   |  | 13,305   | 0   | 0                                      | 0                                   | 27  | 06/25/2043                                | 1   |   |
| 3136AH7E4   | FNR 1421H EA - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 29,036        | 29,036       | 29,227         | 29,146   |  |  | (109)   | (109)   |  | 29,036   | 0   | 0                                      | 0                                   | 46  | 04/25/2029                                | 1   |   |
| 3136AKK93   | FNR 1452C QG - CMO/RMBS          |                                      | 03/01/2018       | Paydown              | X X X                           | 35,335        | 35,335       | 35,335         | 35,335   |  |  |   |   |  | 35,335   |   |  |                                     | 90  | 12/25/2043                                | 1   |   |
| 3136APH39   | FNR 1555H QD - CMO/RMBS          |                                      |                  |                      |                                 |               |              |                |  |  |  |   |   |  |  |   |  |                                     |   |   |   |   |

QE05.1

**SCHEDULE D - PART 4**  
**Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of**  
**During the Current Quarter**

| 1  | 2   | 3<br>F<br>o<br>r<br>e<br>i<br>g<br>n | 4<br>Disposal<br>Date | 5<br>Name of<br>Purchaser | 6<br>Number<br>of Shares<br>of Stock | 7<br>Consideration | 8<br>Par<br>Value | 9<br>Actual<br>Cost | 10<br>Prior Year<br>Book/<br>Adjusted<br>Carrying<br>Value | Change in Book/Adjusted Carrying Value                   |  |   |   |  | 16<br>Book/<br>Adjusted<br>Carrying Value<br>at Disposal<br>Date | 17<br>Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | 18<br>Realized<br>Gain (Loss)<br>on Disposal | 19<br>Total<br>Gain (Loss)<br>on Disposal | 20<br>Bond Interest/<br>Stock<br>Dividends<br>Received<br>During Year | 21<br>Stated<br>Contractual<br>Maturity<br>Date | 22<br>NAIC<br>Designation<br>or Market<br>Indicator (a) |
|--|---|--------------------------------------|-----------------------|---------------------------|--------------------------------------|--------------------|-------------------|---------------------|--|--|--|---|---|--|--|---|--|---|---|---|---|
|  |   |                                      |                       |                           |                                      |                    |                   |                     |  | 11<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 12<br>Current Year's<br>(Amortization)/<br>Accretion | 13<br>Current Year's<br>Other Than<br>Temporary<br>Impairment<br>Recognized | 14<br>Total<br>Change in<br>B./A.C.V.<br>(11 + 12 - 13) | 15<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. |  |   |  |   |   |   |   |
| 3137A5ZA5  | FHR 3796B LA - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 43,893             | 43,893            | 43,866              | 43,852   |  | 42   |   | 42  |  | 43,893   |   | 0  | 0   | 61  | 06/15/2039                                      | 1   |
| 3137A8L89  | FHR 3819H DE - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 2,428              | 2,428             | 2,474               | 2,432  |  | (5)  |   | (5)   |  | 2,428  |   |  |   | 6   | 11/15/2018                                      | 1   |
| 3137AAGA5  | FHR 3857A GL - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 39,674             | 39,674            | 40,988              | 40,899   |  | (1,226)  |   | (1,226)   |  | 39,674   |   | 0  | 0   | 76  | 05/15/2040                                      | 1   |
| 3137AEGA7  | FHR 3903C QE - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 28,790             | 28,790            | 29,330              | 29,231   |  | (440)  |   | (440)   |  | 28,790   |   |  |   | 63  | 03/15/2041                                      | 1   |
| 3137AH4V7  | FHR 3936D KC - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 8,855              | 8,855             | 8,833               | 8,841  |  | (95)   |   | (95)  |  | 8,855  |   |  |   | 11  | 03/15/2026                                      | 1   |
| 3137AKAW1  | FHR 3982B ND - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 34,799             | 34,799            | 35,202              | 35,110   |  | (311)  |   | (311)   |  | 34,799   |   |  |   | 59  | 10/15/2038                                      | 1   |
| 3137ALT58  | FHR 3996A GN - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 36,118             | 36,118            | 37,675              | 37,059   |  | (941)  |   | (941)   |  | 36,118   |   |  |   | 123   | 11/15/2038                                      | 1   |
| 3137APKC3  | FHR 4030G DA - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 6,236              | 6,236             | 6,267               | 6,251  |  | 7  |   | 7   |  | 6,236  |   | 0  | 0   | 10  | 02/15/2041                                      | 1   |
| 3137AQXM5  | FHR 4058B C - CMO/RMBS                      |                                      | 03/01/2018            | Paydown                   | X X X                                | 20,535             | 20,535            | 21,498              | 21,290   |  | (754)  |   | (754)   |  | 20,535   |   |  |   | 52  | 08/15/2030                                      | 1   |
| 3137AWB95  | FHR 4135E CE - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 6,316              | 6,316             | 6,336               | 6,327  |  | (11)   |   | (11)  |  | 6,316  |   | 0  | 0   | 8   | 11/15/2027                                      | 1   |
| 3137AYEW7  | FHR 4171 NG - CMO/RMBS                      |                                      | 03/01/2018            | Paydown                   | X X X                                | 49,499             | 49,499            | 49,561              | 49,539   |  | (40)   |   | (40)  |  | 49,499   |   | 0  | 0   | 92  | 06/15/2042                                      | 1   |
| 3137B2ZH6  | FHR 4221B HJ - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 23,722             | 23,722            | 23,834              | 23,777   |  | (55)   |   | (55)  |  | 23,722   |   |  |   | 30  | 07/15/2023                                      | 1   |
| 3137BCAA0  | FHR 4371B E - CMO/RMBS                      |                                      | 03/01/2018            | Paydown                   | X X X                                | 32,173             | 32,173            | 33,304              | 33,133   |  | (959)  |   | (959)   |  | 32,173   |   | 0  | 0   | 82  | 07/15/2037                                      | 1   |
| 3137BHRG2  | FHR 4463C MG - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 47,939             | 47,939            | 48,366              | 48,374   |  | (435)  |   | (435)   |  | 47,939   |   | 0  | 0   | 93  | 07/15/2043                                      | 1   |
| 3137BMH66  | FHR 4535A JP - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 57,480             | 57,480            | 58,307              | 58,297   |  | (816)  |   | (816)   |  | 57,480   |   |  |   | 179   | 11/15/2043                                      | 1   |
| 3137BYGU9  | FHR 4680A KG - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 142,699            | 142,699           | 146,100             | 145,966  |  | (3,267)  |   | (3,267)   |  | 142,699  |   | 0  | 0   | 345   | 09/15/2042                                      | 1   |
| 31394GU92  | FHR 2666A BD - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 2,339              | 2,339             | 2,491               | 2,428  |  | (91)   |   | (91)  |  | 2,339  |   |  |   | 9   | 08/15/2023                                      | 1   |
| 31395AX83  | FHR 2829B DK - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 4,983              | 4,983             | 5,280               | 5,007  |  | (24)   |   | (24)  |  | 4,983  |   |  |   | 42  | 07/15/2019                                      | 1   |
| 31396QZS1  | FNR 0970D NL - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 953                | 953               | 962                 | 953  |  | (16)   |   | (16)  |  | 953  |   |  |   | 25  | 08/25/2019                                      | 1   |
| 31398QPP6  | FHR 3679B AB - CMO/RMBS                     |                                      | 03/01/2018            | Paydown                   | X X X                                | 31,937             | 31,937            | 32,895              | 32,406   |  | (469)  |   | (469)   |  | 31,937   |   | 0  | 0   | 51  | 05/15/2020                                      | 1   |
| 31402BXE9  | FN 724377 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 748                | 748               | 769                 | 748  |  | 0  |   | 0   |  | 748  |   |  |   | 3   | 08/01/2018                                      | 1   |
| 31402CVZ2  | FN 725232 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 2,079              | 2,079             | 2,126               | 2,132  |  | (38)   |   | (38)  |  | 2,079  |   |  |   | 9   | 03/01/2034                                      | 1   |
| 31402DMP2  | FN 725866 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 808                | 808               | 821                 | 822  |  | (12)   |   | (12)  |  | 808  |   |  |   | 3   | 09/01/2034                                      | 1   |
| 31402RA41  | FN 735427 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 900                | 900               | 896                 | 897  |  | 3  |   | 3   |  | 900  |   | 0  | 0   | (53)  | 12/01/2018                                      | 1   |
| 31403C6L0  | FN 745275 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 861                | 861               | 882                 | 886  |  | (14)   |   | (14)  |  | 861  |   |  |   | 4   | 02/01/2036                                      | 1   |
| 31403DDX4  | FN 745418 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 805                | 805               | 843                 | 852  |  | (33)   |   | (33)  |  | 805  |   | 0  | 0   | 4   | 04/01/2036                                      | 1   |
| 31410FWM3  | FN 888152 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 1,248              | 1,248             | 1,298               | 1,260  |  | (11)   |   | (11)  |  | 1,248  |   |  |   | 7   | 05/01/2021                                      | 1   |
| 31412QWA3  | FN 932241 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 1,152              | 1,152             | 1,189               | 1,161  |  | (9)  |   | (9)   |  | 1,152  |   | 0  | 0   | 6   | 12/01/2019                                      | 1   |
| 31414PZM4  | FN 972448 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 297                | 297               | 311                 | 318  |  | (19)   |   | (19)  |  | 297  |   |  |   | 3   | 03/01/2038                                      | 1   |
| 31414R7J8  | FN 974397 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 314                | 314               | 322                 | 324  |  | (4)  |   | (4)   |  | 314  |   |  |   | 1   | 04/01/2023                                      | 1   |
| 31416RFA6  | FN AA7360 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 206                | 206               | 207                 | 206  |  | 1  |   | 1   |  | 206  |   | 0  | 0   | 1   | 01/01/2034                                      | 1   |
| 31416RTG8  | FN AA7750 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 1,002              | 1,002             | 1,003               | 1,001  |  | 11   |   | 11  |  | 1,002  |   | 0  | 0   | 4   | 06/01/2024                                      | 1   |
| 31417K059  | FN AC1375 - RMBS                            |                                      | 03/01/2018            | Paydown                   | X X X                                | 1,517              | 1,517             | 1,522               | 1,518  |  | 1  |   | 1   |  | 1,517  |   |  |   | 5   | 08/01/2024                                      | 1   |
| 34074MKC4  | FLORIDA HSG FIN CORP REV                    |                                      | 03/01/2018            | Paydown                   | X X X                                | 55,527             | 55,527            | 57,109              | 56,753   |  | (1,226)  |   | (1,226)   |  | 55,527   |   |  |   | 154   | 01/01/2036                                      | 1FE   |
| 46613C2E4  | JEAFILA ELEC SYS REV                        |                                      | 01/12/2018            | Unknown                   | X X X                                | 283,533            | 250,000           | 297,273             | 283,738  |  | (205)  |   | (205)   |  | 283,533  |   |  |   | 3,507   | 10/01/2026                                      | 1FE   |
| 79574CAC7  | SALT RIV PROJ AGRIC IMPT & PWR<br>DIST ARIZ |                                      | 01/10/2018            | Not Provided              | X X X                                | 360,096            | 320,000           | 375,280             | 358,286  |  | (251)  |   | (251)   |  | 358,035  |   | 2,061  | 2,061                                     | 1,822   | 12/01/2031                                      | 1FE   |
| 3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment      |   |                                      |                       |                           |                                      | X X X              | 2,975,451         | 2,865,409           | 3,118,728  | 2,360,699  | (20,459)   |   | (20,459)  |  | 2,970,316  |   | 5,135  | 5,135                                     | 30,616  | X X X   | X X X   |
| <b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>               |   |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |  |   |  |   |   |   |   |
| 42809HAB3  | HESS CORP                                   |                                      | 02/15/2018            | VARIOUS                   | X X X                                | 527,586            | 500,000           | 598,410             | 529,495  |  | (3,156)  |   | (3,156)   |  | 526,339  |   | (26,339)                                     | (26,339)                                  | 47,899  | 02/15/2019                                      | 3FE   |
| 3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)   |   |                                      |                       |                           |                                      | X X X              | 527,586           | 500,000             | 598,410  | 529,495  | (3,156)  |   | (3,156)   |  | 526,339  |   | (26,339)                                     | (26,339)                                  | 47,899  | X X X   | X X X   |
| 8399997 Subtotal - Bonds - Part 4  |   |                                      |                       |                           |                                      | X X X              | 5,231,872         | 5,066,730           | 5,476,804  | 4,931,540  | (32,669)   |   | (32,669)  |  | 5,227,680  |   | (23,394)                                     | (23,394)                                  | 93,445  | X X X   | X X X   |
| 8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)            |   |                                      |                       |                           |                                      | X X X              | X X X             | X X X               | X X X  | X X X  | X X X  | X X X   | X X X   | X X X  | X X X  | X X X   | X X X  | X X X                                     | X X X   | X X X   | X X X   |
| 8399999 Subtotal - Bonds   |   |                                      |                       |                           |                                      | X X X              | 5,231,872         | 5,066,730           | 4,931,540  | (32,669)   |  |   | (32,669)  |  | 5,227,680  |   | (23,394)                                     | (23,394)                                  | 93,445  | X X X   | X X X   |
| 8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) |   |                                      |                       |                           |                                      | X X X              | X X X             | X X X               | X X X  | X X X  | X X X  | X X X   | X X X   | X X X  | X X X  | X X X   | X X X  | X X X                                     | X X X   | X X X   | X X X   |
| 8999999 Subtotal - Preferred Stocks                                      |   |                                      |                       |                           |                                      | X X X              |                   | X X X               |  |  |  |   |   |  |  |   |  |   | X X X   | X X X   | X X X   |
| <b>Common Stocks - Mutual Funds</b>                                      |   |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |  |   |  |   |   |   |   |
| 464289859  | ISHARES:CORE AGGR ALLOC                     |                                      | 01/04/2018            | Unknown                   |                                      | 33,554             | X X X             |                     |  |  |  |   |   |  |  |   | 33,554                                       | 33,554                                    | X X X   | X   |   |
| 47804M878  | J HANCOCK II:G AB RT:J                      |                                      | 01/25/2018            | Not Provided              |                                      | 82,154,488         | X X X             | 899,312             | 864,265  | 35,047   |  |   | 35,047  |  | 899,312  |   | (21,080)                                     | (21,080)                                  | X X X   | U   |   |
| 9299999 Subtotal - Common Stocks - Mutual Funds                          |   |                                      |                       |                           |                                      | X X X              | 911,786           | X X X               | 899,312  | 864,265  | 35,047   |   | 35,047  |  | 899,312  |   | 12,474                                       | 12,474                                    | X X X   | X X X   | X X X   |
| 9799997 Subtotal - Common Stocks - Part 4                                |   |                                      |                       |                           |                                      | X X X              | 911,786           | X X X               | 899,312  | 864,265  | 35,047   |   | 35,047  |  | 899,312  |   | 12,474                                       | 12,474                                    | X X X   | X X X   | X X X   |
| 9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)    |   |                                      |                       |                           |                                      | X X X              | X X X             | X X X               | X X X  | X X X  | X X X  | X X X   | X X X   | X X X  | X X X  | X X X   | X X X  | X X X                                     | X X X   | X X X   | X X X   |
| 9799999 Subtotal - Common Stocks   |   |                                      |                       |                           |                                      | X X X              | 911,786           | X X X               | 899,312  | 864,265  | 35,047   |   | 35,047  |  | 899,312  |   | 12,474                                       | 12,474                                    | X X X   | X X X   | X X X   |
| 9899999 Subtotal - Preferred and Common Stocks                           |   |                                      |                       |                           |                                      | X X X              | 911,786           | X X X               | 899,312  | 864,265  | 35,047   |   | 35,047  |  | 899,312  |   | 12,474                                       | 12,474                                    | X X X   | X X X   | X X X   |
| 9999999 Total - Bonds, Preferred and Common Stocks                       |   |                                      |                       |                           |                                      | X X X              | 6,143,657         | X X X               | 6,376,116  | 5,795,805  | 35,047   |   | (32,669)  | 2,378  | 6,126,992  |   | (10,921)                                     | (10,921)                                  | 93,445  | X X X   | X X X   |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....1.

**E06   Schedule DB Part A Section 1 ..... NONE**

**E07   Schedule DB Part B Section 1 ..... NONE**

**E08   Schedule DB Part D Section 1 ..... NONE**

**E09   Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity ..... NONE**

**E09   Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity ..... NONE**

**E10   Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE**

**E11   Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE**

**SCHEDULE E - PART 1 - CASH**

**Month End Depository Balances**

| 1  |                       |  | 2     | 3                   | 4   | 5   | Book Balance at End of Each Month<br>During Current Quarter |                 |                | 9     |
|--|-----------------------|--|-------|---------------------|---|---|---|-----------------|----------------|-------|
|  |                       |  |       |                     | Amount<br>of Interest<br>Received<br>During<br>Current<br>Quarter | Amount of<br>Interest<br>Accrued<br>at Current<br>Statement<br>Date | 6   | 7               | 8              |       |
| Depository   |                       |  | Code  | Rate of<br>Interest |   |   | First<br>Month  | Second<br>Month | Third<br>Month | *     |
| <b>open depositories</b>   |                       |  |       |                     |   |   |   |                 |                |       |
| JP Morgan Chase, Detroit, MI   | Concentration Account |  |       |                     |   |   | 577,618   | 675,538         | 799,354        | X X X |
| Comerica Bank, Detroit, MI   | General Account       |  |       | 1.100               | 143,480   |   | 144,013,042   | 143,862,288     | 167,324,328    | X X X |
| 0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories      |                       |  | X X X | X X X               |   |   |   |                 |                | X X X |
| 0199999 Totals - Open Depositories   |                       |  | X X X | X X X               | 143,480   |   | 144,590,660   | 144,537,826     | 168,123,682    | X X X |
| 0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories |                       |  |       |                     |   |   |   |                 |                |       |
|  |                       |  | X X X | X X X               |   |   |   |                 |                | X X X |
| 0299999 Totals - Suspended Depositories  |                       |  | X X X | X X X               |   |   |   |                 |                | X X X |
| 0399999 Total Cash On Deposit  |                       |  | X X X | X X X               | 143,480   |   | 144,590,660   | 144,537,826     | 168,123,682    | X X X |
| 0499999 Cash in Company's Office   |                       |  | X X X | X X X               | X X X   | X X X   |   |                 |                | X X X |
| 0599999 Total Cash   |                       |  | X X X | X X X               | 143,480   |   | 144,590,660   | 144,537,826     | 168,123,682    | X X X |

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

| 1  | 2   | 3    | 4                | 5                   | 6                | 7                               | 8                                      | 9                              |
|--|---|------|------------------|---------------------|------------------|---------------------------------|--|--------------------------------|
| Cusip  | Description   | Code | Date<br>Acquired | Rate of<br>Interest | Maturity<br>Date | Book/Adjusted<br>Carrying Value | Amount of<br>Interest<br>Due & Accrued | Amount Received<br>During Year |
| 7799999  | Subtotals - Bonds - Total Bonds - Issuer Obligations .....                          |      |                  |                     |                  |                                 |  |                                |
| 7899999  | Subtotals - Bonds - Total Bonds - Residential Mortgage-Backed Securities .....      |      |                  |                     |                  |                                 |  |                                |
| 7999999  | Subtotals - Bonds - Total Bonds - Commercial Mortgage-Backed Securities .....       |      |                  |                     |                  |                                 |  |                                |
| 8099999  | Subtotals - Bonds - Total Bonds - Other Loan-Backed and Structured Securities ..... |      |                  |                     |                  |                                 |  |                                |
| 8199999  | Subtotals - Bonds - SVO Identified Funds .....                                      |      |                  |                     |                  |                                 |  |                                |
| 8399999  | Subtotals - Bonds - Total Bonds .....   |      |                  |                     |                  |                                 |  |                                |
| 8499999  | Subtotals - Sweep Accounts .....  |      |                  |                     |                  |                                 |  |                                |
| <b>Exempt Money Market Mutual Funds - as Identified by SVO</b> |   |      |                  |                     |                  |                                 |  |                                |
| 00142W843 ...  | INVESCO PREM GV M;INST .....  |      |                  | 0.000               | X X X            | 15,808                          | 17                                     | 22                             |
| 00142W843 ...  | INVESCO PREM GV M;INST .....  |      |                  | 0.000               | X X X            | 1,724,875                       | 2,036                                  | 3,738                          |
|  |   |      |                  | 0.000               | X X X            |                                 |  |                                |
| 8599999  | Subtotals - Exempt Money Market Mutual Funds - as Identified by SVO .....           |      |                  |                     |                  | 1,740,683                       | 2,053                                  | 3,759                          |
| <b>All Other Money Market Mutual Funds</b>                     |   |      |                  |                     |                  |                                 |  |                                |
| 000000000 ...  | MERIDIAN HPOM LEGACY BDS .....  |      |                  | 0.000               | X X X            | 4,993,965                       |  | 3,085                          |
| 8699999  | Subtotals - All Other Money Market Mutual Funds .....                               |      |                  |                     |                  | 4,993,965                       |  | 3,085                          |
| 8799999  | Subtotals - Other Cash Equivalents .....  |      |                  |                     |                  |                                 |  |                                |
| 8899999  | Total - Cash Equivalents .....  |      |                  |                     |                  | 6,734,648                       | 2,053                                  | 6,844                          |

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